

THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

The definitions and interpretations commencing on page 11 of this Circular apply, *mutatis mutandis*, throughout this Circular.

ACTION REQUIRED

1. This entire Circular is important and should be read with particular attention to the section entitled "Action Required by AEEI Shareholders in relation to the Scheme", commencing on page 4 of this Circular.
2. If you are in any doubt as to what action to take, please consult your Broker, CSDP, banker, accountant, legal advisor or other professional advisor immediately.
3. If you have disposed of all your AEEI Shares, this Circular, together with the accompanying Notice of General Meeting and Form of Proxy (*yellow*), should be forwarded to the purchaser of such AEEI Shares or to the Broker, CSDP, banker or other agent through whom the disposal was effected.
4. AEEI does not accept responsibility, and will not be held liable, for any action of, or omission by, any Broker or CSDP including, without limitation, any failure on the part of the Broker or CSDP of any beneficial owner of Shares to notify such beneficial owner of the details set out in this Circular.
5. **Shareholders should note that the default position of taking no action to the election to tender your AEEI Shares will be the expropriation of those AEEI Shares.**



AFRICAN EQUITY EMPOWERMENT INVESTMENTS LIMITED

(Incorporated in the Republic of South Africa)

(Registration number: 1996/006093/06)

Share code: AEE ISIN: ZAE000195731

("AEEI" or "the Company")

CIRCULAR TO AEEI SHAREHOLDERS

relating to:

- a scheme of arrangement in terms of section 114(1)(e), read with section 115 of the Companies Act, proposed by the AEEI Board between AEEI and its Shareholders where the Exit Election/acquisition of Shares provided to all Shareholders (other than the Concert Parties) is the offer as contemplated in paragraph 1.15(c) of the Listings Requirements. If successfully implemented, AEEI will acquire all of the Exit Election Shares from the Scheme Participants for a cash consideration of R1.15 per Exit Election Share; and
- the Delisting of all AEEI Shares from the JSE in terms of paragraph 1.16 of the Listings Requirements,

and incorporating:

- a report prepared by the Independent Expert in terms of sections 114(2) and 114(3) of the Companies Act as read with Companies Regulations 90 and 110, as well as in terms of Schedule 5 of the JSE Listings Requirements;
- an extract of section 164 of the Companies Act dealing with Appraisal Rights in respect of the Scheme;
- an extract of section 115 of the Companies Act dealing with the approval requirements for the Scheme;
- a Notice of General Meeting, incorporating an electronic participation form;
- a Form of Proxy (*yellow*) for use at the General Meeting by Certificated Shareholders and Dematerialised Shareholders with "own name" registration only;
- a Form of Election (*blue*) in respect of the Scheme for use by Certificated Shareholders only; and
- a Form of Surrender and Transfer (*white*) in respect of the Scheme for use by Certificated Shareholders only.

Sponsor and Corporate Advisor



Joint Sponsor



Legal Advisors



Independent Expert



Date of issue: Wednesday, 31 January 2024

This Circular is available in English only. Copies may be obtained during normal business hours from the registered office of AEEI and from the offices of Vunani Sponsors, whose addresses are set out in the "Corporate Information and Advisors" section of this Circular, from Wednesday, 31 January 2024 until the date of the General Meeting, (both days inclusive). A copy of this Circular will also be available on AEEI's website (www.aeei.co.za).

CORPORATE INFORMATION

Directors

Valentine Colleta Dzvova (Chief Executive Officer)
Jowayne Shadwill Van Wyk (Chief Financial Officer)
Aziza Begum Amod*(Chairman)
Gamiem Colbie*
Carin-Lee Geuking-Cohausz#
Membathisi Mdladlana#
Stephen Nthite#
Bongikhaya Qama#
Willem Johannes Raubenheimer
(Lead Independent Director)#

* Non-executive

Independent

Sponsor

Vunani Sponsors Proprietary Limited
(Registration number 2008/005096/07)
Vunani House Block C, Vunani Office Park
151 Katherine Street
Sandton, 2196, Gauteng
(PO Box 652419, Benmore, 2010)

Joint Sponsor

Merchantec Proprietary Limited
(Registration number 2008/027362/07)
13th Floor, Illovo Point
68 Melville Road
Illovo, Sandton, 2196
(PO Box 41480, Craighall, 2024)

Transfer Secretaries

JSE Investor Services Proprietary Limited
(Registration number 2000/007239/07)
One Exchange Square
2 Gwen Lane
Sandown, Sandton, 2196
(PO Box 4844, Johannesburg, 2000)

Company secretary and registered office

Cornell Kannemeyer
10th Floor, Convention Tower
Cnr Heererengracht & Walter Sisulu
Foreshore, Cape Town, 8001
(PO Box 181, Cape Town, 8001)

Date of incorporation: 20 May 1996

Place of incorporation: South Africa

Legal Advisors

Smith Tabata Buchanan Boyes Inc.
(Registration number 1992/003316/21)
2nd Floor, Buchanan's Chambers
Cnr Warwick Street & Pearce Road
Claremont, 7708
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Independent Expert

Exchange Sponsors Proprietary Limited
(Registration number 2008/019553/07)
44a Boundary Road
Inanda
Sandton, 2196
(PO Box 411216, Craighall, 2024)

Corporate Advisor

Vunani Corporate Finance Proprietary Limited
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Vunani House Block C, Vunani Office Park
151 Katherine Street
Sandton, 2196, Gauteng
(PO Box 652419, Benmore, 2010)

FORWARD LOOKING STATEMENT

This Circular includes statements about AEEI and/or the Group that are, or may be deemed to be forward-looking statements. All statements other than statements of historical fact are, or may be deemed to be, forward-looking statements, including, without limitation, those concerning strategy; the economic outlook for the industries in which AEEI operates or invests as well as markets generally; production; cash costs and other operating results; growth prospects and outlook for operations and/or investments, individually or in the aggregate; liquidity, capital resources and expenditure, statements in relation to the Scheme and the Delisting, its implementation and the benefits of the Scheme and the Delisting. These forward-looking statements are not based on historical facts, but rather reflect current expectations concerning future results and events and generally may be identified by the use of forward-looking words such as “believe,” “aim”, “expect”, “anticipate”, “intend”, “foresee”, “forecast”, “likely”, “should”, “planned”, “may”, “estimate”, “potential” or similar words and phrases. Examples of forward-looking statements include statements regarding a future financial position.

By their nature, forward-looking statements involve risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. AEEI cautions that forward-looking statements are not guarantees of future performance. The actual results, financial and operating conditions, returns and the developments within the industries and market in which AEEI and/or the Group operates and/or invests may differ materially from those made in, or suggested by, the forward-looking statements contained in this Circular.

All these forward-looking statements are based on estimates, predictions and assumptions, as regards AEEI and the Group, all of which estimates, predictions and assumptions, although AEEI believes them to be reasonable, are inherently uncertain and may not eventuate or eventuate in the manner AEEI expects. Factors which may cause the actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied in those statements or assumptions include other matters not yet known to AEEI or not currently considered material by AEEI.

Shareholders should keep in mind that any forward-looking statement made in this Circular or elsewhere is applicable only at the date on which such forward-looking statement is made. New factors that could cause the business of AEEI not to develop as expected may emerge from time to time and it is not possible to predict all of them. Further, the extent to which any factor or combination of factors may cause actual results to differ materially from those contained in any forward-looking statement are not known. AEEI has no duty to, and does not intend to, update or revise the forward-looking statements contained in this Circular after the date of this Circular, except as may be required by law. Any forward-looking statement has not been reviewed nor reported on by AEEI's external auditor or any other expert.

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ACTION REQUIRED BY AEEI SHAREHOLDERS IN RELATION TO THE SCHEME

The "Definitions and Interpretations" commencing on page 11 of this Circular apply, mutatis mutandis, to this section, except where the context indicates a contrary intention.

Please take careful note of the following provisions regarding the action required by Shareholders:

This Circular contains important information regarding the Scheme and the Delisting and matters relating thereto.

Shareholders should not construe anything in this Circular as legal, business or tax advice.

If you are in any doubt as to the action you should take, please consult your Broker, CSDP, banker, accountant, or other professional adviser immediately.

If you have disposed of all of your Shares, please forward this Circular to the purchaser of such Shares or the broker, CSDP, banker or other agent through whom such disposal was effected.

In order for the Scheme to become Operative, among other things, the Scheme Resolution must be adopted at the General Meeting.

1. ELECTRONIC PARTICIPATION BY SHAREHOLDERS

- 1.1 Shareholders are invited to electronically participate in the General Meeting to be held entirely via a remote interactive electronic platform on Wednesday, 28 February 2024 at 10:00. Should you have difficulty connecting to the meeting please contact cornellk@aeei.co.za.
- 1.2 Shareholders are required to email the written application form for electronic participation notices (attached to this Circular) (together with the relevant supporting documents referred to below) to the Company's Transfer Secretaries at meetfax@jseinvestorservices.co.za and to the Company at cornellk@aeei.co.za, in the case of Certificated Shareholders or own-name Dematerialised Shareholders, as soon as possible, but in any event, by no later than 10:00 on Tuesday, 20 February 2024, if they wish to participate via electronic communication at the General Meeting ("**the electronic notice**"). Dematerialised Shareholders other than own-name Dematerialised Shareholders must communicate with their Broker or CSDP.
- 1.3 In order for the electronic notice to be valid, it must contain:
 - 1.3.1 if the Shareholder is an individual, a certified copy of his/her identity document or passport;
 - 1.3.2 if the Shareholder is not an individual, a certified copy of a resolution by the relevant entity and a certified copy of the identity documents or passports of the persons who passed the relevant resolution;
 - 1.3.3 the relevant resolution must set out who from the relevant entity is authorised to represent the relevant entity at the General Meeting via electronic communication; and
 - 1.3.4 a valid email address and/or facsimile number.
- 1.4 Participants connecting to the General Meeting will be able to participate in and vote at the General Meeting electronically.
- 1.5 Shareholders are further encouraged to submit any questions via email to cornellk@aeei.co.za. Said questions will be addressed at the General Meeting and will be responded to by return email.
- 1.6 In-person registration of meeting participants will not be carried out at the registered office of the Company. Participants should note that access to the electronic communication may be at the expense of the participants who wish to utilise the facility.
- 1.7 The notice convening the General Meeting is attached to this Circular.

2. VOTING AND ATTENDANCE AT THE GENERAL MEETING

2.1 Dematerialised Shareholders without “own-name” registration

- 2.1.1 In accordance with the Custody Agreement between you and your CSDP or Broker, you must advise your CSDP or Broker if you wish to:
- 2.1.1.1 attend, speak and vote at the General Meeting; or
 - 2.1.1.2 appoint a proxy to represent you at the General Meeting.
- 2.1.2 Your CSDP or Broker should then issue the necessary letter of representation to you for you or your proxy to attend, speak and vote at the General Meeting. You will not be permitted to attend, speak or vote at the General Meeting, or send a proxy to represent you at the General Meeting, without the necessary letter of representation being issued to you.
- 2.1.3 If you do not wish to, or are unable to, attend (or appoint a proxy to represent you) at the General Meeting and you have not been contacted by your CSDP or Broker, it is advisable for you to contact your CSDP or Broker immediately and furnish your CSDP or Broker with your voting instructions in the manner and by the cut-off time stipulated by your CSDP or Broker in terms of the Custody Agreement between you and your CSDP or Broker.
- 2.1.4 If your CSDP or Broker does not obtain voting instructions from you, your CSDP or Broker will be obliged to act in accordance with the instructions contained in the Custody Agreement between you and your CSDP or Broker.
- 2.1.5 You must not complete the attached Form of Proxy (*yellow*).

2.2 Dematerialised Shareholders with “own-name” registration and Certificated Shareholders

You may attend, speak and vote at the General Meeting in person (or, if you are a company or other body corporate, be represented by a duly authorised natural person). Alternatively, you may appoint a proxy to represent you at the General Meeting by completing the attached Form of Proxy (*yellow*) in accordance with its instructions and returning it to the Transfer Secretaries, JSE Investor Services Proprietary Limited, 2 Gwen Lane, Sandown, Sandton, 2196 (for hand deliveries) PO Box 4844, Johannesburg, 2000, South Africa (for postal deliveries) or by email to at meetfax@jseinvestorservices.co.za, to be received at any time before the proxy exercises any rights of the AEEI Shareholder at such General Meeting.

3. ELECTION PROCEDURE FOR SHAREHOLDERS

PLEASE TAKE CAREFUL NOTE OF THE DEFAULT POSITION IN TERMS OF THE SCHEME, IF YOU DO NOT VALIDLY MAKE THE EXIT ELECTION AND/OR THE CONTINUATION ELECTION IN RESPECT OF ANY OF YOUR SHARES, YOU WILL THEN BE DEEMED TO HAVE MADE THE EXIT ELECTION IN RESPECT OF THOSE SHARES, IN WHICH EVENT AEEI WILL ACQUIRE ALL SUCH SHARES IF THE SCHEME BECOMES OPERATIVE.

3.1 Dematerialised Shareholders with or without “own-name” registration

- 3.1.1 Your CSDP or Broker should contact you in the manner stipulated in the Custody Agreement, to find out which election you wish to make in terms of the Scheme. If your CSDP or Broker does not contact you, you are advised to contact your CSDP or Broker and furnish your CSDP or Broker with your election instructions in the manner and by the cut-off time stipulated by your CSDP or Broker in terms of the Custody Agreement. If your CSDP or Broker does not obtain instructions from you, it will be obliged to act in terms of the instructions contained in the Custody Agreement. Your CSDP or Broker must notify the Transfer Secretaries of your election by no later than 12:00 on the Scheme Consideration Record Date. If your CSDP or Broker has not notified the Transfer Secretaries of your election in terms of the Scheme by 12:00 on the Scheme Consideration Record Date, you will be deemed to have made the Exit Election in respect of all your Shares.
- 3.1.2 You must not complete the attached Form of Election (*blue*).

3.2 **Certificated Shareholders**

- 3.2.1 If you wish to make the Exit Election and/or the Continuation Election you must complete the attached Form of Election (*blue*) in accordance with its instructions and return it together with your relevant Documents of Title (if applicable) to the Transfer Secretaries, JSE Investor Services Proprietary Limited, 2 Gwen Lane, Sandown, Sandton, 2196 (for hand deliveries) PO Box 4844, Johannesburg, 2000, South Africa (for postal deliveries), to be received by no later than 12:00 on the Scheme Consideration Record Date. If the Transfer Secretaries do not receive the completed Form of Election (*blue*) together with the relevant Documents of Title (if applicable) by 12:00 on the Scheme Consideration Record Date, **you will be deemed to have made the Exit Election in respect of all your Shares.**
- 3.2.2 If you wish to surrender your Documents of Title in anticipation of the Scheme being implemented:
- 3.2.2.1 you should complete the Form of Election (*blue*) in accordance with its instructions and return it, together with the relevant Documents of Title, to the Transfer Secretaries, JSE Investor Services Proprietary Limited, 2 Gwen Lane, Sandown, Sandton, 2196 (for hand deliveries) PO Box 4844, Johannesburg, 2000, South Africa (for postal deliveries); and
- 3.2.2.2 you will not be able to Dematerialise or deal in your Shares between the date of surrender of your Documents of Title and the Scheme Implementation Date or, if the Scheme does not become Operative, the date on which your Documents of Title are returned to you as envisaged in the paragraphs below.
- 3.2.3 Documents of Title surrendered prior to 12:00 on the Scheme Consideration Record Date, in anticipation of the Scheme being implemented, will be held in trust by the Transfer Secretaries, at the risk of the Certificated Shareholder concerned, pending the Scheme being implemented.
- 3.2.4 Should the Scheme not be implemented, Documents of Title surrendered and held by the Transfer Secretaries will be posted, by registered post, at the risk of the Certificated Shareholder concerned, within five Business Days from the later of the date of receipt of the Documents of Title and the date on which it becomes known that the Scheme will not be implemented.

4. **SETTLEMENT OF SCHEME CONSIDERATION**

4.1 **Dematerialised Shareholders with or without “own-name” registration**

- 4.1.1 If you are a Dematerialised Shareholder who is, or is deemed (pursuant to paragraph 5.7.1 of this Circular) to be, a Scheme Participant that holds Exit Election Shares, you will have your account held at your CSDP or Broker credited with the Scheme Consideration due to you and debited with the Shares being repurchased by AEEI pursuant to the Scheme on the Scheme Implementation Date or, if you are a Dissenting Shareholder who subsequently becomes a Scheme Participant who is or is deemed to hold Exit Election Shares pursuant to paragraph 5.7.1 of this Circular, on the date contemplated in paragraph 5.7.1.2 of this Circular.
- 4.1.2 Dematerialised Shareholders who make the Continuation Election in respect of all or some of their Shares, will, if the Company is delisted, receive share certificates in respect of their Shares to be held in the unlisted Company. Such share certificates will be posted to you, by registered post in South Africa, at your own risk, within five Business Days of the Scheme Implementation Date.
- 4.1.3 You must not complete the attached Form of Election (*blue*).
- 4.1.4 You must not complete the attached Form of Surrender and Transfer (*white*).

4.2 Certificated Shareholders

- 4.2.1 If the Scheme becomes Operative and you have surrendered your Documents of Title and submitted your completed Form of Election (*blue*) to the Transfer Secretaries, JSE Investor Services Proprietary Limited, 2 Gwen Lane, Sandown, Sandton, 2196 (for hand deliveries) or PO Box 4844, Johannesburg, 2000, South Africa (for postal deliveries), at or before 12:00 on the Scheme Consideration Record Date, you will be paid the Scheme Consideration in cash by way of electronic funds transfer into your bank account recorded by the Transfer Secretaries or the bank account nominated by you in the Form of Election (*blue*), as the case may be, on the Scheme Implementation Date.
- 4.2.2 If the Scheme becomes Operative and you surrender your Documents of Title and completed Form of Election (*blue*) after 12:00 on the Scheme Consideration Record Date, the Scheme Consideration due to you will be held by the Transfer Secretaries in trust, and will be paid to you in cash by way of electronic funds transfer into your bank account recorded by the Transfer Secretaries or the bank account nominated by you in the Form of Election (*blue*), as the case may be, within five Business Days of receipt of your Documents of Title and Form of Election (*blue*), provided that should you:
- 4.2.2.1 be a Dissenting Shareholder who subsequently becomes a Scheme Participant pursuant to paragraph 5.7.1 of this Circular, you will still need to surrender your Documents of Title, together with a completed Form of Election (*blue*), to the Transfer Secretaries and payment of the Scheme Consideration will only be paid to you in cash by way of electronic funds transfer on the date set out in paragraph 5.7.1.2 of this Circular; and
 - 4.2.2.2 fail to surrender your Documents of Title and completed Form of Election (*blue*) to the Transfer Secretaries, or if your banking details are not recorded with the Transfer Secretaries and you have failed to provide your banking details in the completed Form of Election (*blue*), the Scheme Consideration due to you will be held in trust by AEEI (or its agent) on your behalf for a period of three years after the Scheme Implementation Date or a period of three years after the date on which you subsequently became a Scheme Participant pursuant to paragraph 5.7.1 of this Circular, after which the Scheme Consideration due to you will be paid to the benefit of the Guardian's Fund of the Master of the High Court. In this regard such Scheme Participants irrevocably authorise and appoint AEEI or its agent in rem suam (that is, irrevocably for AEEI's advantage), with full power of substitution, to act as agent in the name, place and stead of such Scheme Participants to pay the Scheme Consideration to the benefit of the Guardian's Fund of the Master of the High Court in the aforesaid manner.
- 4.2.3 For the avoidance of doubt, no interest will accrue for the benefit of Scheme Participants on the Scheme Consideration.
- 4.2.4 AEEI shall be entitled to accept late elections or amended elections on the same terms and conditions applicable to the Scheme (the acceptance of late elections or amended elections will be disclosed to the TRP).
- 4.2.5 If you wish to Dematerialise your Shares, please contact the Transfer Secretaries, your Broker or CSDP.
- 4.2.6 No Dematerialisation or re-materialisation of Shares may take place from the Business Day following the Scheme Last Day to Trade. You do not need to Dematerialise your Shares to receive the Scheme Consideration.
- 4.2.7 If Documents of Title have been lost or destroyed, Certificated Shareholders should nevertheless return the Form of Election (*blue*) duly signed and completed. The Transfer Secretaries shall issue a suitable indemnity form to such Certificated Shareholder, such indemnity form to be in a form and substance acceptable to AEEI (in its sole and absolute discretion) and AEEI and the Transfer Secretaries must be satisfied that the Documents of Title have been lost or destroyed.

IMPORTANT LEGAL NOTICES

FOREIGN AEEI SHAREHOLDERS

This Circular has been prepared for the purposes of complying with the laws of South Africa and is subject to applicable laws in South Africa, including but not limited to the Companies Act, the Companies Regulations and the Listings Requirements, and the information disclosed may not be the same as that which would have been disclosed if this Circular had been prepared in accordance with the laws of any jurisdiction outside of South Africa, or the requirements of any exchange other than the JSE.

The release, publication or distribution of this Circular in jurisdictions other than South Africa may be restricted by law and therefore any persons who are subject to the laws of any jurisdiction other than South Africa should inform themselves about, and observe, any applicable requirements. Any failure to comply with the applicable requirements may constitute a violation of the securities laws of any such jurisdiction.

This Circular and any accompanying documentation are not intended to, and do not constitute, or form part of, an offer to sell or a solicitation of any vote or approval in any jurisdiction in which it is unlawful to make such an offer or solicitation, or where such offer or solicitation would require AEEI to comply with any filing and/or other regulatory obligations. In those circumstances or otherwise if the distribution of this Circular and any accompanying documentation in jurisdictions outside of South Africa are restricted or prohibited by the laws of such jurisdiction, this Circular and any accompanying documentation are deemed to have been sent for information purposes only and should not be copied or redistributed.

AEEI Shareholders who are not resident in, or who have a registered address outside of, South Africa must satisfy themselves as to the full observance of the laws of any applicable jurisdiction concerning the Scheme, including any requisite governmental or other consents, observing any other requisite formalities and paying any transfer or other taxes due in such other jurisdictions and are required to advise AEEI of all such filing or regulatory obligations as AEEI may be required to comply with in such jurisdictions in relation to the transaction. AEEI, the Board and advisors accept no responsibility for the failure by an AEEI Shareholder to inform itself about, or to observe, any applicable legal requirements in any relevant jurisdiction, nor for any failure by AEEI to observe the requirements of any jurisdiction.

GENERAL

This Circular does not constitute a prospectus or a prospectus equivalent document. AEEI Shareholders are advised to read this Circular, which contains the full terms and conditions of the Scheme with care. Any decision to approve the Scheme or any other response to the Scheme should be made only on the basis of the information in this Circular.

The Scheme is governed by the Laws of South Africa and is subject to applicable South African Laws, including the Companies Act, the Takeover Regulations and the Listings Requirements.

The offer by AEEI is made for the securities of a South African company, being AEEI, by means of the Scheme. The Scheme is subject to disclosure requirements under South African law that may be different from those in other jurisdictions. Financial statements included in this Circular have been prepared in accordance with South African accounting standards and IFRS that may not be comparable to the financial statements of companies in other jurisdictions.

It may be difficult for you to enforce your rights and any claim you may have arising under other foreign securities laws, since AEEI is located in South Africa. You may not be able to sue AEEI or its officers or directors in any court, including South African courts, for violations of securities laws in other jurisdictions. It may be difficult to compel AEEI to subject itself to a court's judgment in other jurisdictions.

Any AEEI Shareholder who is in doubt as to its position, including, without limitation, its tax status, should consult an appropriate independent professional advisor in the relevant jurisdiction without delay.

IMPORTANT DATES AND TIMES

2024

Record date for AEEI Shareholders to be recorded in the Register in order to receive the Circular	Friday, 26 January
Circular distributed to AEEI Shareholders and notice convening the General Meeting released on SENS on	Wednesday, 31 January
Notice convening the General Meeting published in the South African press on	Thursday, 1 February
Last day to trade in AEEI Shares in order to be recorded in the Register to vote at the General Meeting on	Tuesday, 20 February
Record date for AEEI Shareholders to be recorded in the Register in order to be eligible to attend and participate in the General Meeting and to vote thereat, by close of trade on	Friday, 23 February
For administrative purposes, Forms of Proxy (<i>yellow</i>) in respect of the General Meeting to be lodged at the Transfer Secretaries by 10:00 on	Monday, 26 February
Last date and time for Shareholders to deliver a written notice to AEEI objecting, in terms of section 164(3) of the Companies Act, to the Scheme Resolution to be able to invoke Appraisal Rights by 10:00 on	Wednesday, 28 February
General Meeting to be held at 10:00 on	Wednesday, 28 February
Elections open on	Wednesday, 28 February
Results of the General Meeting released on SENS on	Wednesday, 28 February
Results of the General Meeting published in the South African press on	Thursday, 29 February

If the Scheme is approved by Shareholders at the General Meeting

Last date for Shareholders who voted against the Scheme Resolution to require AEEI to seek Court approval for the Scheme Resolution in terms of section 115(3) (a) of the Companies Act, if the Scheme Resolution was opposed by at least 15% (fifteen percent) of the total voting rights that were exercised thereon	Wednesday, 6 March
Last day for Shareholders who voted against the Scheme Resolution to apply to Court for leave to apply for a review of the Scheme Resolution in terms of section 115(3)(b) of the Companies Act on	Wednesday, 6 March
Last date for AEEI to send objecting Shareholders notices of adoption of the Scheme Resolution in accordance with section 164(4) of the Companies Act	Wednesday, 13 March
Last day for Dissenting Shareholders, by reason of the adoption of the Scheme Resolution to make a demand to AEEI that AEEI pay such Dissenting Shareholders the fair value of all AEEI Shares held by them, in terms of section 164(7) of the Companies Act on	Thursday, 28 March

The following dates assume that all the Scheme Conditions are fulfilled or, where applicable, waived and that neither Court approval nor the review of the Scheme Resolution is required and will be confirmed in the finalisation announcement:

Expected date on which the Scheme is declared wholly unconditional and TRP clearance certificate received	Tuesday, 9 April
Scheme Finalisation Date announcement expected to be released on SENS by 11:00	Tuesday, 16 April

Scheme Finalisation Date announcement expected to be published in the South African press on	Wednesday, 17 April
Scheme Last Day to Trade expected to be on	Tuesday, 23 April
Trading in AEEI Shares on the JSE suspended from commencement of trade expected to be on	Wednesday, 24 April
Scheme Consideration Record Date, being the date on which Scheme Participants must be recorded in the Register in order to be eligible to receive the Scheme Consideration, by close of business on	Friday, 26 April
Elections to be received by 12:00 on	Friday, 26 April
Expected Operative Date	Monday, 29 April
Scheme Consideration to be settled by electronic funds transfer to Scheme Participants who hold Certificated Exit Election Shares who have lodged their Form of Surrender and Transfer (<i>white</i>) with the Transfer Secretaries on or prior to 12:00 on the Scheme Consideration Record Date	Monday, 29 April
Scheme Participants who hold Dematerialised Exit Election Shares will have their accounts with their CSDP or Broker credited with the Scheme Consideration on	Monday, 29 April
Expected termination of listing of AEEI Shares on the JSE at commencement of trade expected to be on	Tuesday, 30 April

Notes:

1. The above dates and times are subject to such changes as may be agreed to and approved by the TRP and/or the JSE, if required. Any such amendment will be released on SENS.
2. Completed Forms of Proxy and the authority (if any) under which they are signed must be (i) lodged with, posted or emailed to JSE Investor Services at 2 Gwen Lane, Sandown, Sandton, 2196 (PO Box 4844, Johannesburg, 2000 or at meetfax@jseinvestorservices.co.za, to be received by them no later than 10:00 on Monday, 26 February 2024 or (ii) thereafter emailed to JSE Investor Services at the aforementioned email address (for the attention of the chairperson of the General Meeting) at any time before the proxy exercises any rights of the AEEI Shareholder at such General Meeting.
3. AEEI Shareholders should note that, as trade in AEEI Shares on the JSE is settled in the electronic settlement system used by Strate, settlement of trades takes place three Business Days after the date of such trades. Therefore, AEEI Shareholders who acquire AEEI Shares on the JSE after close of trade on Tuesday, 20 February 2024, will not be entitled to vote at the General Meeting.
4. AEEI Shareholders who wish to exercise their Appraisal Rights are referred to **Annexure 5** to this Circular for purposes of determining the relevant timing for the exercise of their Appraisal Rights.
5. The exercise of Appraisal Rights may result in changes to the above salient dates and times and AEEI Shareholders will be notified separately of the applicable dates and times resulting from any such changes.
6. AEEI Shareholders who wish to exercise their right in terms of section 115(3) of the Companies Act, to require the approval of a Court for the Scheme should refer to **Annexure 4** to this Circular which includes an extract of section 115 of the Companies Act. Should Shareholders exercise their rights in terms of section 115(3) of the Companies Act, the dates and times set out above may change, in which case an updated timetable will be released on SENS.
7. Dematerialised Shareholders, other than those with Own-Name Registration, must provide their CSDP or Broker with their instructions for voting at the General Meeting by the cut-off time and date stipulated by their CSDP or Broker in terms of their respective Custody Agreements between them and their CSDP or Broker.
8. No dematerialisation or rematerialisation of AEEI Shares may take place from the commencement of business on the Business Day following the Scheme Last Day to Trade. The Scheme Last Day to Trade is expected to be on Tuesday, 23 April 2024.
9. If the General Meeting is adjourned or postponed, the above dates and times will change, but the Forms of Proxy (yellow) submitted in respect of the initial General Meeting will remain valid in respect of any adjournment or postponement thereof.
10. Although the salient dates and times are stated to be subject to change, such statement shall not be regarded as consent or dispensation for any change to time periods which may be required in terms of the Companies Act, the Companies Regulations and the Listings Requirements, where applicable, and any such consents or dispensations must be specifically applied for and granted.
11. All times referred to in this Circular are references to South African Standard Time.

DEFINITIONS AND INTERPRETATIONS

In this Circular, unless otherwise stated or clearly indicated by the context, the words in the first column have the meanings stated opposite them in the second column, words in the singular include the plural and *vice versa*, words importing one gender include the other genders and references to a person include references to a body corporate and *vice versa*:

“AEEI” or “the Company”	African Equity Empowerment Investment Holdings Limited (Registration number 1996/006093/06), a public company duly registered and incorporated in accordance with the laws of South Africa, and listed on the Main Board of the JSE;
“AEEI Board” or “Board” or “Directors”	the board of directors of AEEI at the Last Practicable Date, whose names appear in the “ <i>Corporate Information and Advisors</i> ” section of this Circular;
“AEEI Shareholders” or “Shareholders”	holders of AEEI Shares;
“AEEI Shares” or “Shares”	“B” class ordinary shares of no par value in the authorised and issued share capital of AEEI;
“Appraisal Rights”	the rights afforded to AEEI Shareholders in terms of section 164 of the Companies Act as set out in Annexure 5 to this Circular;
“Authorised Dealer”	a person authorised to deal in foreign exchange as contemplated in the Exchange Control Regulations;
“AYO”	AYO Technology Solutions Limited (Registration number 1996/014461/06), a public company duly registered and incorporated in accordance with the laws of South Africa, and listed on the Main Board of the JSE;
“AYO Unbundling” or “Unbundling”	the <i>pro rata</i> unbundling by AEEI of its entire shareholding in AYO to Shareholders by way of a distribution <i>in specie</i> in the ratio of 1 AYO share for every 2.89 AEEI Shares held on the Unbundling record date, in terms of section 46 of the Companies Act and section 46 of the Income Tax Act, 1962 (Act 58 of 1962), as amended (“ Income Tax Act ”), constituting the disposal of the greater part of the assets of AEEI in terms of section 112 of the Companies Act (read with section 115 of the Companies Act), which Unbundling was detailed in the circular to AEEI Shareholders dated 1 June 2023;
“Broker”	any person registered as a broking member (equities) in terms of the rules of the JSE and in accordance with the provisions of the Financial Markets Act;
“BT”	BT Limited (a private company limited by shares registered and incorporated in accordance with company laws of England and Wales under registration number 2216369, which company is not related to AEEI or its Directors;
“BTSA”	BT Communications Services South Africa Proprietary Limited (Registration number 2008/006072/07), a private company duly registered and incorporated in accordance with the laws of South Africa which, up until 28 December 2023 was 30% owned by AEEI and 70% owned by BT;
“BTSA Disposal” or “the Disposal”	the proposed disposal of the BTSA Shares to BTSA for the Repurchase Price;
“BTSA Shares”	30 000 ordinary shares, constituting 30% of the issued share capital of BTSA, owned by Kilomix;

“Business Day”	a day other than a Saturday, Sunday or official public holiday in South Africa;
“Certificated Shareholders”	AEEI Shareholders who hold Certificated Shares;
“Certificated Shares”	AEEI Shares which have not been Dematerialised, title to which is represented by a Document of Title;
“Circular”	this circular to AEEI Shareholders, dated Wednesday, 31 January 2024, including the annexures hereto, the Notice of General Meeting, Form of Proxy (<i>yellow</i>), and Form of Election (<i>blue</i>) and Form of Surrender and Transfer (<i>white</i>);
“Common Monetary Area”	South Africa, the Republic of Namibia, the Kingdom of Lesotho and the Kingdom of eSwatini;
“Companies Act”	the Companies Act, 2008 (Act 71 of 2008), as amended;
“Companies Regulations”	the Companies Regulations, 2011, promulgated under the Companies Act, as amended from time to time;
“Competition Tribunal”	the tribunal established pursuant to Chapter 4, Part B of the Competition Tribunal;
“Concert Parties”	the parties acting in concert or deemed to be acting in concert with AEEI, being Sekunjalo and certain Directors, being Willem Raubenheimer, Aziza Amod and Carin-Lee Geuking-Cohausz;
“Corporate Advisor”	Vunani Corporate Finance Proprietary Limited (Registration number 1998/001469/07), a private company, incorporated and registered in accordance with the laws of South Africa, details of which are contained in the “ <i>Corporate Information and Advisors</i> ” section of this Circular;
“Continuation Election”	the election by a Scheme Participant to retain some or all of their Shares post the implementation of the Scheme, which Shares, in respect of which the Continuation Election is made, will consequently not be acquired by AEEI in terms of the Scheme;
“CSDP”	a central securities depository participant as defined in the Financial Markets Act;
“Custody Agreement”	a custody mandate agreement between a Dematerialised Shareholder and a CSDP or Broker, regulating their relationship in respect of Dematerialised Shares held on AEEI’s uncertificated securities register administered by a CSDP or Broker on behalf of such Shareholder;
“Default Position”	being the default position that if Shareholders do not make valid elections in respect of any of their AEEI Shares, i.e. do not make any Exit Election or Continuation Election in respect of any of its AEEI Shares, such Shareholders shall be deemed to have made an Exit Election and such AEEI Shares shall be repurchased by AEEI for the Scheme Consideration in terms of the Scheme;
“Delisting”	the termination of the listing of the AEEI Shares on the JSE, pursuant to the Scheme becoming Operative and the requisite number of shareholders voting in favour of the Scheme. Please refer to paragraph 6 for further details;
“Delisting Resolution”	the special resolution proposed by the Company for its delisting from the Main Board of the JSE in terms of the paragraph 1.16 of the Listings Requirements;

“Dematerialise”	the process by which securities held in certificated form are converted to or held in electronic form as uncertificated securities and recorded as such in a sub-register of securities holders maintained by a CSDP and “Dematerialised” and “Dematerialise” shall bear corresponding meanings;
“Dematerialised Shareholders”	AEEI Shareholders who hold Dematerialised Shares;
“Dematerialised Shares”	AEEI Shares which have been Dematerialised and incorporated into the Strate system and which are no longer evidenced by physical Documents of Title;
“Dispute”	the dispute between Kilomix and BT over the validity of the alleged exercise by BT, by way of notice to Kilomix of the BT Call Option, which dispute was referred to arbitration under the rules of the International Chamber of Commerce;
“Dissenting Shareholders”	an objecting AEEI Shareholder that has validly exercised its Appraisal Rights in accordance with section 164(3) and section 164(5) to (8) of the Companies Act, and (i) has not withdrawn its demand made in terms of section 164(5) to (8) of the Companies Act and (ii) has not allowed an offer made to it by the Company in terms of section 164(11) of the Companies Act to lapse;
“Documents of Title”	share certificates, certified transfer deeds, balance receipts and/or any other form of acceptable documents of title acceptable to AEEI in respect of AEEI Shares;
“Dr. MI Survé”	Dr. Mohamed Iqbal Survé;
“Eligible Shareholders”	those Shareholders who are entitled to vote in respect of the Scheme Resolution, being all the Shareholders excluding the Concert Parties, and in respect of the Delisting Resolution, all Shareholders excluding the Concert Parties, as the case may be;
“Encumbrance”	(i) a mortgage, pledge, hypothecation, lien, option, restriction, right of first refusal, right of pre-emption, right of retention, right of set-off, third party right or interest, assignment in security, title extension, trust arrangement, cession in security, security interest of any kind or any other encumbrance of any kind; and (ii) any other type of preferential transaction or agreement having, or which might have, the effect of encumbering as contemplated in (i), whether or not subject to a condition precedent, and “Encumbered” , “Encumber” and “Encumbering” each bears a corresponding meaning;
“Equality Court”	the specialised court established in terms of the Promotion of Equality and Prevention of Unfair Discrimination Act, 2002 (Act 4 of 2002), as amended;
“ESP Afrika”	ESP Afrika Proprietary Limited (Registration number 1998/019170/07), a private company duly registered and incorporated in accordance with the laws of South Africa and an indirect wholly-owned Subsidiary of AEEI;
“Exit Election”	the election by a Scheme Participant to dispose of some or all of their AEEI Shares or deemed to dispose of some or all of their AEEI Shares in terms of the Default Position, which AEEI Shares in respect of which such election is made or deemed to be made, will, if the Scheme becomes Operative, be acquired by AEEI as contemplated by section 114(1)(e) of the Companies Act, as read with section 48 and 115 of the Companies Act;
“Exit Election Shares”	the AEEI Shares held by Scheme Participants on the Scheme Consideration Record Date for which an Exit Election has been validly made or for which no Continuation Election has been validly made;

“Exchange Control Regulations”	Exchange Control Regulations, 1961, as amended, issued under section 9 of the Currency and Exchanges Act, 9 of 1933, as amended;
“Financial Markets Act”	the Financial Markets Act, 2012 (Act 19 of 2012), as amended;
“Firm Intention Announcement”	the announcement released by the Company on SENS on 16 October 2023 and the updates to the Firm Intention Announcement released on SENS on 1 December 2023 and 5 January 2024, advising AEEI Shareholders of its firm intention to acquire all of the AEEI Shares, other than the Shares held by Sekunjalo, for a cash consideration of R1.15 per Share and the subsequent proposed Delisting;
“Foreign Shareholders”	a Shareholder who is a non-resident of South Africa as contemplated in the Exchange Control Regulations;
“Form of Election (<i>blue</i>)”	a form of election (<i>blue</i>) in respect of the Scheme for use by Certificated Shareholders only, enclosed herewith;
“Form of Proxy (<i>yellow</i>)”	the form of proxy (<i>yellow</i>) for use at the General Meeting by Certificated Shareholders and “own-name” Dematerialised Shareholders only;
“Form of Surrender and Transfer (<i>white</i>)”	a form of surrender (<i>white</i>) in respect of the Scheme for use by Certificated Shareholders only, enclosed herewith;
“General Meeting”	the general meeting of AEEI Shareholders to be held at 10:00 on Wednesday, 28 February 2024 via electronic communication, which meeting is convened in terms of the Notice of General Meeting, as same may be postponed or adjourned from time to time;
“Group”	AEEI and its Subsidiaries;
“Haraas Trust”	the Haraas Trust (Master’s reference IT2232/99), the beneficiaries of which are Dr. Ml Survé, R Survé, S Survé, and N Kamies;
“IFRS”	International Financial Reporting Standards;
“Independent Board”	those independent non-executive directors of AEEI who have been appointed as the independent board of AEEI in respect of the Scheme, for the purposes of the Companies Act and the Companies Regulations, comprising Willem Johannes Raubenheimer (Chairperson), Bongikhaya Qama and Stephen Nthite;
“Independent Expert” or “Exchange Sponsors”	the independent expert appointed to provide the appropriate independent advice to the Independent Board in terms of (i) section 114(2) of the Companies Act and the Takeover Regulations, being Exchange Sponsors Projects Proprietary Limited (registration number 2008/021456/07), a limited liability private company duly incorporated in accordance with the Laws of South Africa;
“Independent Expert Report”	the report prepared by the Independent Expert in respect of the Scheme in accordance with Companies Regulation 90 and section 114 of the Companies Act (read with Companies Regulation 90(2)) which is included as Annexure 1 to this Circular;
“Joint Sponsor” or “Merchantec Capital”	Merchantec Proprietary Limited (Registration number 2008/027362/07), a private company duly registered and incorporated in accordance with the laws of South Africa, details of which are contained in the “ <i>Corporate Information and Advisors</i> ” section of this Circular;
“JSE”	JSE Limited (Registration number 2005/022939/06), a public company duly incorporated in accordance with the laws of South Africa and licensed to operate an exchange under the Financial Markets Act;
“Kilomax”	Kilomax Investments Proprietary Limited (Registration number 2008/023018/07), a private company duly registered and incorporated in accordance with the laws of South Africa and a wholly-owned subsidiary of AEEI;

“Kilomix”	Kilomix Investments Proprietary Limited (Registration number 2008/023006/07), a private company duly registered and incorporated in accordance with the laws of South Africa and a wholly-owned subsidiary of Kilomax;
“Last Practicable Date”	Friday, 26 January 2024, being the last practicable date prior to the finalisation of this Circular;
“Legal Advisors”	Smith Tabata Buchanan Boyes Inc. (Registration number 1992/003316/21), a professional services company duly registered and incorporated in accordance with the laws of South Africa, details of which are contained in the “Corporate Information and Advisors” section of this Circular;
“Sponsor” or “Vunani Sponsors”	Vunani Sponsors Proprietary Limited (Registration number 2008/005096/07), a private company, incorporated and registered in accordance with the laws of South Africa, details of which are contained in the “Corporate Information and Advisors” section of this Circular;
“Listings Requirements”	the Listings Requirements of the JSE, as amended from time to time;
“Litigation Parties”	BT, Kilomix, BTSa, AEEI and Kilomax, collectively;
“Mainstreet 1653”	Mainstreet 1653 Proprietary Limited (Registration number 2018/549747/07), a private company duly registered and incorporated under the laws of South Africa which is 60% owned by AEEI and 40% owned by AYO, and which holds 100% of SGT;
“Miramare Investments”	Miramare Investments Proprietary Limited (Registration number 2006/015147/07), a private company duly registered and incorporated in accordance with the laws of South Africa, which is 29% owned by LNA Trust, 14% owned by Gianna Altini Trust, 14% owned by Luca Altini Trust, 14% owned by Taralli Trust, 14% owned by Gaetano Altini Trust, 14% owned by JACC Trust, the ultimate beneficial owners of which are not related to AEEI or its Directors;
“MOI”	the memorandum of incorporation of AEEI as at the date of this Circular;
“Notice of General Meeting”	the notice convening the General Meeting, enclosed with and forming part of this Circular;
“N Kamies”	Nadia Kamies;
“Operative”	the time at when the last of the Scheme Conditions has been fulfilled or, where applicable, waived;
“Operative Date”	the Business Day on which AEEI will commence settling the Scheme Consideration to Scheme Participants, being the first Business Day following the Scheme Consideration Record Date, which is expected to be Monday, 29 April 2024;
“Offer”	the offer made by AEEI to the Scheme Participants to repurchase the Exit Election Shares, to be effected via the Scheme;
“PFB”	Premier Fishing and Brands Limited (Registration number 1998/018598/06), a public company duly registered and incorporated in accordance with the laws of South Africa, and previously listed on the Main Board of the JSE;
“PRASA”	the Passenger Rail Agency of South Africa established in terms of section 22 of the Legal Succession to South African Transport Services Act, 1989 (Act 9 of 1989);
“R Survé”	Rayhaan Survé;
“Register”	the register of Certificated Shareholders maintained by the Transfer Secretaries, and each of the sub-registers of Dematerialised Shareholders maintained by the relevant CSDPs in terms of the Financial Markets Act;

“Resolutions”	the resolutions set out in the Notice of General Meeting;
“S Survé”	Saarah Survé;
“Scheme”	the scheme of arrangement in terms of section 114(1) of the Companies Act, proposed by the AEEI Board between AEEI and the Scheme Participants, as more fully described in paragraph 5 of this Circular, in terms of which AEEI will, if the Scheme becomes Operative, acquire all the Exit Election Shares from the Scheme Participants for the Scheme Consideration, subject to any amendment or variation, as contemplated in paragraph 5.12 of this Circular;
“Scheme Conditions”	the conditions precedent to the Scheme as set out in paragraph 5.3 of this Circular;
“Scheme Consideration”	the cash consideration of R1.15 per AEEI Share acquired in terms of the Scheme, being a total maximum of R165 987 333.80, for a total of 144 336 812 Shares, which excludes the Shares held by the Concert Parties;
“Scheme Consideration Record Date”	the date for persons, who are AEEI Shareholders, to be registered as AEEI Shareholders in the Register in order to be eligible to receive the Scheme Consideration, being the first Friday following the Scheme Last Day to Trade which is expected to be at 17:00 on Friday, 26 April 2024 (or such other date and time as may be announced on SENS);
“Scheme Finalisation Date”	the date on which the “finalisation date announcement” (as contemplated by the Listings Requirements) is released on SENS, after all the Scheme Conditions are fulfilled or waived, as the case may be, which is expected to be Tuesday, 16 April 2024 (or such other date as may be announced on SENS);
“Scheme Implementation Date”	the date on which the Scheme is to be implemented, being the first Business Day immediately following the Scheme Consideration Record Date, which is expected to be Monday, 29 April 2024 (or such other date as may be announced on SENS);
“Scheme Last Day to Trade”	the last day to trade in AEEI Shares in order to participate in the Scheme, being at the close of trade three Business Days prior to the Scheme Consideration Record Date, which is expected to be at 17:00 on Tuesday, 23 April 2024 (or such other date as may be announced on SENS);
“Scheme Participants”	all persons who hold AEEI Shares and who are recorded in the Register on the Scheme Consideration Record Date, excluding (i) the Concert Parties; (ii) Shareholders who made the Continuation Election in the manner set out in this Circular; and (iii) Dissenting Shareholders who have not, whether voluntarily or pursuant to a final order of the Court, withdrawn their demands made in terms of sections 164(5) to (8) of the Companies Act on or prior to the Scheme Consideration Record Date, or allowed any offers made to them in terms of section 164(11) of the Companies Act to lapse on or prior to the Scheme Consideration Record Date and “Scheme Participant” means any one of them, as the context indicates;
“Scheme Resolution”	the special resolution to be proposed to AEEI Shareholders for their approval of the Scheme, as contemplated in section 115(2) of the Companies Act, at the General Meeting, which will require the support of at least 75% of the votes exercised on it, excluding the votes of the Concert Parties;
“Scheme Voting Record Date”	the time and date for AEEI Shareholders to be recorded in the Register in order to be eligible to attend, speak and vote at the General Meeting, being Friday, 23 February 2024;

“Sekunjalo”	Sekunjalo Investment Holdings Proprietary Limited (Registration number 1998/008480/07), a private company duly incorporated in accordance with the Laws of South Africa, which is wholly-owned by the Haraas Trust;
“Sekunjalo Group”	Sekunjalo and its Subsidiaries;
“SENS”	the Stock Exchange News Service of the JSE;
“Settlement Agreement”	the written settlement agreement entered into between the Litigation Parties on 26 September 2023, in terms of which the Litigation Parties agreed to settle any and all claims and disputes between the Litigation Parties, on the terms and subject to the conditions set out therein;
“SGT”	SGT Solutions Proprietary Limited (Registration number 1963/006462/07), a private company duly registered and incorporated in accordance with the laws of South Africa, which is 60% owned by AEEI;
“Shareholders Agreement”	the written shareholders agreement between BT, Kilomix, BTSA, AEEI and Kilomax dated 4 November 2008 regulating the relationship between BT and Kilomix as shareholders of BTSA;
“South Africa”	the Republic of South Africa;
“Strate”	Strate Proprietary Limited (Registration number 1998/022242/07), a private company duly incorporated in accordance with the laws of South Africa, a central securities depository licensed in terms of the Financial Markets Act and responsible for the electronic clearing and settlement system provided to the JSE;
“STT”	securities transfer tax, levied in terms of the STT Act;
“STT Act”	the Securities Transfer Tax Act, 2007 (Act 25 of 2007), as amended;
“Subsidiary”	a subsidiary as defined in the Companies Act;
“Takeover Regulations”	the Takeover Regulations issued in terms of section 120 of the Companies Act;
“Transfer Secretaries” or “JSE Investor Services”	JSE Investor Services Proprietary Limited (Registration number 2000/007239/07), a private company duly incorporated in accordance with the laws of South Africa, details of which are contained in the “Corporate Information and Advisors” section of this Circular;
“TRP”	the Takeover Regulation Panel, established in terms of section 196 of the Companies Act; and
“ZAR” or “Rand”	South African Rand, the official currency of South Africa.



AFRICAN EQUITY EMPOWERMENT INVESTMENTS LIMITED

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

Directors

Valentine Colleta Dzvova (*Chief Executive Officer*)
Jowayne Shadwill Van Wyk (*Chief Financial Officer*)
Aziza Begum Amod* (Chairman)
Gamiem Colbie*
Carin-Lee Geuking-Cohausz#
Membathisi Mdladlana#
Stephen Nthite#
Bongikhaya Qama#
Willem Johannes Raubenheimer (Lead Independent Director)#

* Non-executive

Independent

INTRODUCTION

1. INTRODUCTION

- 1.1 Shareholders are referred to the Firm Intention Announcement released on SENS on Monday, 16 October 2023 and to the updates thereto released on SENS on 1 December 2023 and 5 January 2024 wherein AEEI Shareholders were advised that the Board had resolved to acquire AEEI Shares (other than those held by Sekunjalo) by way of a scheme of arrangement in terms of section 114(1)(e) of the Companies Act, read with section 115 thereof, for the Scheme Consideration where the Exit Election/acquisition of Shares provided to all Shareholders other than the Concert Parties is the offer as contemplated in paragraph 1.15(c) of the Listings Requirements.
- 1.2 In terms of the Scheme, Eligible Shareholders will be entitled to elect:
 - 1.2.1 that all or some of their AEEI Shares are repurchased by the Company, on the Scheme Implementation Date, for the Scheme Consideration, being the Exit Election; or
 - 1.2.2 to retain all or some of their AEEI Shares, being the Continuation Election, with the Default Position being that if Eligible Shareholders do not make valid elections in respect of any of their AEEI Shares, they will be deemed to have made an Exit Election and such Shares will be repurchased by AEEI for the Scheme Consideration in terms of the Scheme.
- 1.3 The Scheme constitutes an "affected transaction" as defined in section 117(1)(c)(iii) of the Companies Act and, as such, is regulated by the Companies Act and the Takeover Regulations.
- 1.4 The Scheme is conditional upon the fulfilment of the Scheme Conditions.
- 1.5 Consequently, subject to the Scheme being approved and becoming Operative, Shareholders who wish to retain some or all of their Shares or who wish to dispose of some or all of their Shares to AEEI, shall be required to make such election in the manner set out in paragraph 3 of the "*Action Required by Shareholders in relation to the Scheme*" section of this Circular set out on page 4 failing which, or in the event of an invalid election, the relevant AEEI Shares will constitute Exit Election Shares and will be repurchased by AEEI in terms of the Scheme.

- 1.6 Should the Scheme become Operative:
- 1.6.1 AEEI will become the beneficial owner of all Exit Election Shares, upon which such Shares shall be immediately cancelled and have the status of authorised but unissued shares;
 - 1.6.2 the Scheme Participants that hold the Exit Election Shares will be paid the Scheme Consideration for each Exit Election Share held by them on the Scheme Consideration Record Date;
 - 1.6.3 the Scheme Participants that have made the Continuation Election in respect of any of their AEEI Shares will retain those AEEI Shares; and
 - 1.6.4 the AEEI Shares will be delisted from the JSE. The JSE will suspend the listing of the AEEI Shares with effect from the commencement of trading on the JSE on the Business Day following the Scheme Last Day to Trade and, subject to the Scheme becoming Operative and/or the Delisting and Offer being voted through by Shareholders, the termination of the listing of AEEI Shares on the JSE from the commencement of trade on the Business Day following the Scheme Implementation Date.
- 1.7 Having considered the opinion of the Independent Expert, the Independent Board and the Board are in unanimous support of the Scheme and the Delisting and recommend that Shareholders vote in favour of the Resolutions to be proposed at the General Meeting.

2. PURPOSE OF THIS CIRCULAR

- 2.1 The purpose of this Circular is to:
- 2.1.1 provide Shareholders with relevant information regarding the Scheme and the Delisting, including the recommendation of the Independent Board in respect of the Scheme, the report of the Independent Expert and historical financial information on AEEI;
 - 2.1.2 to convene the General Meeting in order for Shareholders to consider and, if deemed fit, to pass with or without modification the Resolutions; and
 - 2.1.3 inform AEEI Shareholders of their Appraisal Rights.
- 2.2 The Notice of General Meeting is attached to, and forms part of, this Circular.
- 2.3 Shareholders are encouraged to read the full Circular to obtain a full understanding of the terms and conditions of the Scheme and the Delisting.

3. RATIONALE FOR THE SCHEME

- 3.1 Shareholders are referred to the recent announcements released on SENS regarding (i) the AYO Unbundling dated 28 July 2023 and the circular to AEEI Shareholders dated 1 June 2023 relating to the Unbundling; and (ii) the BTSA Disposal dated 28 September 2023 and the circular to AEEI Shareholders dated 24 November 2023 relating to the BTSA Disposal. These transactions will reduce the net asset value of the Company significantly.
- 3.2 In the current operating environment and given the illiquidity of the AEEI Shares, the Board is of the opinion that AEEI's remaining portfolio no longer warrants a listing on the JSE as it can no longer justify the costs and administrative burden of a listing relative to its benefits.

4. BACKGROUND TO AEEI

4.1 Overview of AEEI

AEEI is a diversified investment and empowerment company that has investments in fishing and brands, technology, events and tourism, health and beauty, and biotherapeutics, all supporting Broad-Based Black Economic Empowerment and small-, medium- and micro-enterprises as well as strategic investments, some with international partners. The Company listed on the JSE on 3 May 1999 and is a majority black-owned and black-controlled investment holding company based in South Africa and is a 70.60%-owned subsidiary of Sekunjalo.

4.2 Major investments

4.2.1 56.23% in PFB

PFB, which delisted from the JSE on 1 August 2023, is a vertically integrated group that specialises in the harvesting, processing and marketing of fish and fish-related products. PFB and its subsidiaries hold medium- to long-term fishing rights in west coast rock lobster, south coast rock lobster, small pelagics (anchovy and sardine), hake deep-sea trawl, longline hake and squid. In addition, PFB owns an abalone farm and invests in organic agricultural products. They also offer sales, marketing and production of west coast rock lobster, south coast rock lobster, longline hake, squid and fishmeal.

4.2.2 30% in BTSA

BTSA is engaged in the provision of support services for multi-national ICT outsourcing contracts, the provision of local data and voice outsourcing solutions, global frame and Multiprotocol Label Switching (MPLS) services.

AEEI has, as detailed in the circular to AEEI Shareholders dated Friday, 24 November 2023, reached an agreement on the proposed disposal by Kilomix, a wholly-owned subsidiary of AEEI, of its 30% shareholding in BTSA for R290 million. The BTSA Disposal, which has been approved by the AEEI Board, was subject to Shareholder approval at the general meeting held on Thursday 28, December 2023.

4.2.3 60% in Mainstreet 1653 (which in turn holds 100% of SGT)

SGT is a turnkey solutions integrator specialising in the design, supply, deployment, commissioning and maintenance of multi-technology telecommunication systems for mobile broadband and converged solutions, through partnerships with our customers and technology providers.

SGT specialises in integrated, leading-edge and comprehensive solutions across the entire spectrum of telecommunications. SGT's vision is to be the innovative systems integrator of choice for telecommunications solutions.

4.3 Strategy

4.3.1 AEEI's business model and philosophy has resulted in it acquiring control of the majority of its operational investments, holding a diverse portfolio of investments as well as holding non-controlling stakes in strategic investments and associates. This enables it to add value through its extensive expertise and networks, influence business processes, provide management expertise and synergies with existing investments while promoting an entrepreneurial culture within its management structure and staff. Through its assets and investments, the Company drives its underlying businesses to become efficient and sustainable, which generates revenue, provides capital to grow the business and encourages above market shareholder returns.

4.3.2 AEEI's investment decisions, across its entire portfolio are driven by the overall objective of creating and growing stakeholder value in a sustainable manner.

4.4 Prospects

The prospects of the Group in general are as follows:

4.4.1 On 16 October 2023, AEEI released the Firm Intention Announcement on SENS wherein Shareholders were advised, *inter alia*, that the Company will pursue the Delisting. In the current operating environment and given the illiquidity of the Shares, the Board is of the opinion that AEEI's remaining portfolio no longer warrants a listing on the JSE as it can no longer justify the costs and administrative burden of a listing relative to its benefits.

4.4.2 In light of the ongoing litigation with various financial institutions as set out more fully in paragraph 18 below, AEEI acknowledges the challenges that persist in its pursuit of its strategic objectives. Despite these impediments, there is unwavering commitment to ensure the sustainability of AEEI while simultaneously working towards unlocking value for Shareholders.

- 4.4.3 The strategic outlook encompasses:
 - 4.4.3.1 Addressing the banking challenges and rebuilding the relationship with banking institutions.
 - 4.4.3.2 Delisting AEEI to address some of the challenges faced by the Group. A Delisting would help mitigate listing costs and allow AEEI to resolve current issues with greater expediency.
 - 4.4.3.3 Group portfolio consolidation strategy, which involves divesting non-key assets and focusing on the growth of its profitable key assets.
- 4.4.4 Despite economic and other challenges, the AEEI Group will continue to explore growth opportunities and partnerships within acceptable risk limits.

5. THE SCHEME

5.1 Overview of the Scheme

In terms of section 114(1)(e) of the Companies Act, the AEEI Board proposes the Scheme between AEEI and its Shareholders (other than the Concert Parties) as set out in this paragraph 5. The Scheme will constitute an “affected transaction” as defined in section 117(1)(c) of the Companies Act. It will be implemented in accordance with the Companies Act and the Companies Regulations and is regulated by the TRP. The Exit Election/acquisition of Shares provided to all Shareholders other than the Concert Parties is the offer as contemplated in paragraph 1.15(c) of the Listings Requirements.

5.2 Effects of the Scheme

- 5.2.1 If the Scheme becomes Operative, then the provisions of this paragraph 5.2 apply.
- 5.2.2 In terms of the Scheme, AEEI will, among other things, acquire the Exit Election Shares from the Scheme Participants who have made or are deemed to have made the Exit Election for the Scheme Consideration.
- 5.2.3 If the Scheme becomes Operative:
 - 5.2.3.1 the Scheme Participants who hold any Exit Election Shares (whether they voted in favour of the Scheme or not, or abstained or refrained from voting), shall be deemed to have disposed of and transferred their Exit Election Shares (including all rights, interests and benefits attaching thereto), free of Encumbrances, to AEEI on and with effect from the Scheme Implementation Date;
 - 5.2.3.2 AEEI shall acquire and/or be deemed to have acquired beneficial ownership, free of Encumbrances, of all the Exit Election Shares on and with effect from the Scheme Implementation Date, upon which date such Shares shall be immediately cancelled and have the status of authorised but unissued shares;
 - 5.2.3.3 the disposal and transfer by each Scheme Participant of any Exit Election Shares held by such Scheme Participant to AEEI and the acquisition of beneficial ownership of these Exit Election Shares by AEEI pursuant to the provisions of the Scheme, shall be effected on the Scheme Implementation Date;
 - 5.2.3.4 each Scheme Participant shall be deemed to have disposed of and transferred to AEEI, on the Scheme Implementation Date, all of the Exit Election Shares held by such Scheme Participant, without any further act or instrument being required;
 - 5.2.3.5 Scheme Participants who have made or are deemed to have made the Exit Election in respect of any of their AEEI Shares (such AEEI Shares constituting Exit Election Shares) shall be entitled to receive the Scheme Consideration, subject to the provisions of this Circular;
 - 5.2.3.6 Scheme Participants who have exercised the Continuation Election in respect of all or part of their AEEI Shares, shall retain the relevant AEEI Shares and will not be entitled to receive any consideration in respect of such election; and
 - 5.2.3.7 the AEEI Shares will be delisted from the JSE.

- 5.2.4 Each Scheme Participant irrevocably and unconditionally authorises and empowers AEEI in *rem suam* (that is, irrevocably for AEEI's advantage), as principal, with power of substitution, to cause the Exit Election Shares held by such Scheme Participant to be disposed of and transferred to AEEI on or at any time after the Scheme Implementation Date, and to do all such things and take all such steps (including the signing of any transfer form) as AEEI in its discretion considers necessary in order to effect that transfer and registration.
- 5.2.5 The Scheme Consideration shall be settled, in full, in accordance with the terms of the Scheme without regard to any lien, right of set-off, counterclaim, deduction, withholding or other analogous right to which AEEI may otherwise be, or claim to be, entitled against any Scheme Participant.
- 5.2.6 The effect of the Scheme, among other things, will be that AEEI will, with effect from the Scheme Implementation Date, become the beneficial owner of all Exit Election Shares, upon which such Shares shall be immediately cancelled and have the status of authorised but unissued shares.
- 5.2.7 The Scheme is subject to, among other things, AEEI Shareholders' approval. The Concert Parties will be excluded from voting on the Scheme Resolution.

5.3 Scheme Conditions

- 5.3.1 The implementation of the Scheme will be subject to the fulfilment of the following Scheme Conditions by no later than 29 February 2024:
 - 5.3.1.1 all approvals, consents or waivers from those South African regulatory authorities as may be necessary in relation to the Scheme and the Delisting (excluding the issuance of the compliance certificate per Section 121 of the Companies Act by the Takeover Regulations Panel) are obtained on an unconditional basis or, to the extent that any such regulatory approvals, consents or waivers are obtained subject to any condition or qualification, AEEI confirms in writing that the condition or qualification is acceptable to it, which confirmation shall not be unreasonably withheld or delayed;
 - 5.3.1.2 The Delisting is proposed in terms of paragraphs 1.14 to 1.16 of the Listings Requirements;
 - 5.3.1.3 all necessary Shareholder approvals and/or resolutions as may be necessary to give effect to the Scheme have been obtained, including, but not limited to, the Scheme Resolution and in the event of the provisions of section 115(3)(a) of the Companies Act becoming applicable:
 - 5.3.1.3.1 within ten business days of the Scheme Resolution having been passed, AEEI seeking court approval of the Scheme in terms of section 115(5)(a) of the Companies Act; and
 - 5.3.1.3.2 AEEI not treating the Scheme Resolutions as a nullity as contemplated in section 115(5)(b) of the Companies Act;
 - 5.3.1.4 with regard to AEEI Shareholders entitled to and exercising their Appraisal Rights, either (i) AEEI Shareholders give notice objecting to the Scheme as contemplated in section 164(3) of the Companies Act and vote against the Scheme Resolution in respect of less than or equal to 2% of all of the issued AEEI Shares (excluding those held by the Concert Parties) as at the date of the General Meeting, or (ii) if AEEI Shareholders give notice objecting to the Scheme Resolution and vote against the Scheme Resolution at the General Meeting in respect of more than 2% of all of the issued AEEI Shares (excluding those held by the Concert Parties) as at the date of the General Meeting, then within the time period permitted in terms of the Companies Act, Dissenting Shareholders have exercised Appraisal Rights, by giving valid demands in terms of sections 164(5) to 164(8) of the Companies Act, in respect of less than or equal to 2% of all of the issued AEEI Shares (excluding those held by the Concert Parties) as at the date of the General Meeting.

- 5.3.2 Unless all the Scheme Conditions have been fulfilled by not later than the date for fulfilment thereof set out in paragraph 5.3.1 the Scheme will lapse and will not become of any force or effect and the *status quo ante* will be restored.

5.4 **Scheme Consideration**

- 5.4.1 Subject to the Scheme becoming Operative, Scheme Participants will be paid the Scheme Consideration for each Exit Election Share held by them on the Scheme Consideration Record Date.
- 5.4.2 The total maximum Scheme Consideration is R165 987 333.80, being a price of R1.15 per Share, which reflects a premium of 27.78% to the closing price of R0.90 per Share at the date prior to the Firm Intention Announcement.

5.5 **Settlement of the Scheme Consideration**

- 5.5.1 AEEI Shareholders are referred to the section entitled “*Action required by AEEI Shareholders in relation to the Scheme*”, commencing on page 4 of the Circular, for further information regarding the steps to be taken by AEEI Shareholders in relation to the settlement of the Scheme Consideration.
- 5.5.2 Scheme Participants who hold Dematerialised Exit Election Shares will have their accounts held at their CSDP or Broker credited with the Scheme Consideration due to them and debited with the Exit Election Shares they are transferring to AEEI pursuant to the Scheme on the Scheme Implementation Date or, in the case of Dissenting Shareholders who subsequently become Scheme Participants pursuant to paragraph 5.7.1 of this Circular and hold Dematerialised Exit Election Shares, on the date contemplated in paragraph 5.7.1.2 of this Circular.
- 5.5.3 Scheme Participants who hold Certificated Exit Election Shares:
- 5.5.3.1 who have surrendered their Documents of Title and the completed Form of Election (*blue*) to the Transfer Secretaries at or before 12:00 on the Scheme Consideration Record Date, will be paid the Scheme Consideration by way of electronic funds transfer by completing the relevant section on the Form of Election (*blue*) in cash on the Scheme Implementation Date by way of electronic funds transfer; or
- 5.5.3.2 who surrender their Documents of Title and the completed Form of Election (*blue*) to the Transfer Secretaries after 12:00 on the Scheme Consideration Record Date, will have the Scheme Consideration paid to them by way of an electronic funds transfer, within five Business Days of the Transfer Secretaries receiving their Documents of Title and completed Form of Election (*blue*), unless such Scheme Participants were Dissenting Shareholders who have subsequently become Scheme Participants pursuant to paragraph 5.7.1 of this Circular, in which case such Scheme Participants will still need to surrender their Documents of Title in respect of any Exit Election Shares, together with completed Forms of Election (*blue*), to the Transfer Secretaries and payment of the Scheme Consideration will only be paid to them by way of electronic funds transfer on the date contemplated in paragraph 5.7.1.2 of this Circular.
- 5.5.4 If:
- 5.5.4.1 a Scheme Participant who holds Certificated Exit Election Shares fails to surrender its Documents of Title and completed Form of Election (*blue*) to the Transfer Secretary, or if its banking details are not recorded with Transfer Secretary and it has failed to provide its banking details in the completed Form of Election (*blue*); or
- 5.5.4.2 a Dissenting Shareholder subsequently becomes a Scheme Participant pursuant to paragraph 5.7.1.2 of this Circular and fails to surrender its Documents of Title and completed Form of Election (*blue*) to the Transfer Secretaries, or if its banking details are not recorded with the Transfer Secretaries and it has failed to provide its banking details in the completed Form of Election (*blue*),

the Scheme Consideration due to such Scheme Participants will be held in trust by AEEI (or its appointed agent) on behalf of such Scheme Participants for a period of three years from the Scheme Implementation Date, after which the Scheme Consideration will be paid to the benefit of the Guardian's Fund of the Master of the High Court. In this regard such Scheme Participants irrevocably authorise and appoint AEEI or its agent in *rem suam* (that is, irrevocably for its advantage), with full power of substitution, to act as agents in the name, place and stead of such Scheme Participants to pay the Scheme Consideration to the benefit of the Guardian's Fund in the aforesaid manner.

- 5.5.5 For the avoidance of doubt, no interest will accrue for the benefit of Scheme Participants on the Scheme Consideration in respect of any Exit Election Shares.

5.6 No Encumbrance

Each Scheme Participant is deemed, on and with effect from the Scheme Implementation Date, to have warranted and undertaken in favour of AEEI that (i) the relevant Exit Election Shares are not subject to a pledge or otherwise Encumbered, or (ii) if subject to any such pledge or Encumbrance, such Exit Election Shares shall be released from such pledge or other Encumbrance immediately on payment and discharge of the Scheme Consideration. In this regard such Scheme Participants irrevocably authorise and appoint AEEI in *rem suam* (that is, irrevocably for AEEI's advantage), with full power of substitution, to act as agent in the name, place and stead of such Scheme Participants in doing all things and signing all documents in ensuring that the relevant Exit Election Shares are released from any pledge or Encumbrance, including the removal of any endorsements to that effect present in the Register.

5.7 Dissenting Shareholders

- 5.7.1 Any Dissenting Shareholder that withdraws its demand made in terms of sections 164(5) to 164(8) of the Companies Act, either voluntarily or pursuant to an order of Court, or that allows an offer by AEEI in terms of section 164(11) of the Companies Act to lapse without exercising its rights in terms of section 164(14) of the Companies Act, shall, if that Dissenting Shareholder withdrew its demand or allowed the offer to lapse:

5.7.1.1 on or prior to the Scheme Consideration Record Date, be deemed to be a Scheme Participant, be deemed to have disposed of and transferred all their AEEI Shares and be subject to the provisions of the Scheme, unless a Continuation Election is submitted before this date; and

5.7.1.2 after the Scheme Consideration Record Date, be deemed to have been a Scheme Participant, be deemed to have disposed of and transferred all their AEEI Shares and be subject to the provisions of the Scheme, provided that settlement of the Scheme Consideration due to such Dissenting Shareholder, and the transfer of such Dissenting Shareholder's AEEI Shares to AEEI, shall take place on the latest of (i) the Scheme Implementation Date, (ii) the date which is five Business Days after that Dissenting Shareholder so withdrew its demand or allowed the offer to lapse, as the case may be, and (iii) if that AEEI Shareholder is a Certificated AEEI Shareholder, the date which is five Business Days after that Dissenting Shareholder shall have surrendered its Documents of Title and submitted a completed Form of Election (*blue*) to the Transfer Secretaries, provided that its banking details are recorded with the Transfer Secretaries and if not, it has provided its banking details in the completed Form of Election (*blue*).

- 5.7.2 An extract of section 164 of the Companies Act (which sets out the Appraisal Rights) is included in **Annexure 5** to this Circular.

5.8 Scheme Consideration Funds

The funds to settle the Scheme Consideration are in place and, in accordance with regulations 111(4) and 111(5) of the Companies Regulations, AEEI has obtained and delivered to the TRP an irrevocable unconditional confirmation from Abraham Kiewitz Inc. that it holds sufficient cash in its trust account for the total possible Scheme Consideration payable.

5.9 Tax implications for Scheme Participants

The tax implications for Scheme Participants are dependent on the individual circumstances and the jurisdiction(s) and relevant tax laws of such jurisdiction(s) that may be applicable to such Scheme Participants. Accordingly, it is recommended that if Scheme Participants are uncertain about the tax treatment of the sale of the Exit Election Shares to AEEI and the receipt of the Scheme Consideration, they seek appropriate advice in this regard.

5.10 Other tax implications

Any STT (levied at a rate of 0.25%) payable in respect of the transfer of the Exit Election Shares to AEEI, will be payable by AEEI.

5.11 Restricted jurisdictions

To the extent that the distribution of this Circular in certain jurisdictions outside of South Africa may be restricted or prohibited by the Laws of such foreign jurisdiction, then this Circular is deemed to have been provided for information purposes only, and neither the AEEI Board or its advisors accept any responsibility for any failure by AEEI Shareholders to inform themselves about, and to observe, any applicable legal requirements in any relevant foreign jurisdiction.

5.12 Amendment or variation of the Scheme

Subject to compliance with applicable Law including the requirements of the JSE and the Companies Regulations, no amendment or variation of the Scheme shall be valid unless agreed to by AEEI.

5.13 Termination of the Scheme

AEEI Shareholders are advised that, notwithstanding that the Scheme Resolution may have been approved at the General Meeting in terms of section 115(3) of the Companies Act, AEEI will, in certain circumstances, not be permitted, to proceed to implement the Scheme without the approval of the Court. An extract of section 115 of the Companies Act pertaining to the required approval(s) for the Scheme is set out in **Annexure 4** to this Circular.

5.14 Applicable law

5.14.1 The Scheme is proposed in compliance with the requirements of the Companies Act and the Takeover Regulations and is governed by and subject to the provisions of the laws of South Africa and will be subject to the exclusive jurisdiction of a South African court.

5.14.2 Each Scheme Participant will be deemed by their acceptance to have consented and submitted to the jurisdiction of the courts of South Africa in relation to all matters arising out of or in connection with the Scheme and acceptance thereof.

5.14.3 If this Circular is received in any jurisdiction where it is illegal for the Scheme to be made or accepted, this document should be treated as having been received for information only.

5.15 Remaining AEEI Shareholders

5.15.1 AEEI Shareholders have the option of retaining their Shares in AEEI as an unlisted entity following the Delisting, by electing the Continuation Election.

5.15.2 The risks of being invested in an unlisted environment include (but are not limited to):

5.15.2.1 a lack of regulatory framework and the protection mechanisms provided by a licensed exchange;

5.15.2.2 a lack of a formal market and trading platform; and

5.15.2.3 pricing and liquidity risks and difficulty realising profits.

5.16 Undertakings

AEEI has agreed that, upon the Scheme becoming Operative, it will give effect to the terms and conditions of the Scheme and will take all actions and sign all necessary documents to give effect to the Scheme.

6. THE DELISTING

The Company has applied to the JSE to assess the application of paragraph 1.17(b) of the Listings Requirements, to which the JSE has indicated that it, the JSE cannot, prior to the implementation of the Scheme, make a determination in terms of paragraph 1.17(b) of the Listings Requirements as to whether AEEI will no longer qualify for a listing post the implementation of the Scheme, as it is not possible for the Company, prior to the implementation of the Scheme, to provide the JSE with certainty as to the exact number of Eligible Shareholders who may elect to retain all or some of the Shares held by them.

As the Company's intention is to delist, and is seeking a mechanism to ensure the Delisting, a Delisting Resolution in terms of paragraph 1.15(a) of the Listings Requirement, which requires the approval of at least 75% of Shareholders present or represented by proxy will be put to Shareholders for approval as detailed in the Notice of General Meeting attached to this Circular.

The Delisting will occur pursuant to the Delisting Resolution being approved and the Scheme being implemented. In terms of paragraph 1.16 of the Listings Requirements, for ordinary resolution number 1 to be adopted, as detailed in the Notice of Meeting attached to this Circular, it must be supported by at least 75% of the voting rights exercised at the general meeting in person or in proxy, excluding any controlling shareholder, its associates and any party acting in concert, and any other party which the JSE deems appropriate, cast in favour of such resolution, unless the JSE otherwise decides, being Sekunjalo and certain Directors, being Willem Raubenheimer, Aziza Amod and Carin-Lee Geuking-Cohausz.

7. IRREVOCABLE UNDERTAKINGS

AEEI has received no irrevocable undertakings from AEEI Shareholders to vote in favour of the Scheme Resolution, or any other resolution of the Shareholders referred to in this Circular.

8. HISTORICAL FINANCIAL INFORMATION

The audited annual financial statements of AEEI for the years ended 31 August 2023, 31 August 2022 and 31 August 2021 are available on the website links below:

Information	Website link
AEEI's reviewed condensed consolidated annual financial statements for the year ended 31 August 2023	https://aeei.co.za/wp-content/uploads/2023/12/AEEI-Group-Long-Form-Annoucement-13-December-2023-01h33.pdf
AEEI's condensed consolidated interim results for the six months ended 28 February 2023	https://aeei.co.za/wp-content/uploads/2023/06/AEEILong-Form-Feb-2023-final.pdf
AEEI's annual financial statements for the year ended 31 August 2022	https://aeei.co.za/wp-content/uploads/2022/12/AEEI-AFS-2022.pdf
AEEI's annual financial statements for the year ended 31 August 2021	https://aeei.co.za/wp-content/uploads/2021/12/2021-AEEI-Financial-Statements-31-Aug-2021.pdf

9. SOUTH AFRICAN EXCHANGE CONTROL REGULATIONS

Annexure 3 to this Circular contains a summary of certain important information for Foreign Shareholders, including a summary of the Exchange Control Regulations as they apply to Scheme Participants who are Foreign Shareholders. Scheme Participants, who are Foreign Shareholders must satisfy themselves as to the full observance of the laws of any relevant jurisdiction concerning the receipt of the Scheme Consideration, including (without limitation) obtaining any requisite governmental or other consents, observing any other requisite formalities and paying any issue, transfer or other taxes due in such jurisdiction. If in doubt, Scheme Participants should consult their professional advisors immediately.

10. ESTIMATED EXPENSES

The total costs (exclusive of VAT) relating to the Scheme are set out in the table below:

Description	Rand ('000)
Sponsor – Vunani Sponsors	350
Joint Sponsor – Merchantec Capital	420
Legal Advisors – STBB	250
Printing and related costs – Ince Proprietary Limited	42
Independent Expert – Exchange Sponsors	350
TRP documentation fee	150
JSE documentation fee	20
JSE termination of listing fee	27
Transfer Secretaries – JSE Investor Services	20
Contingency	150
Total	1 779

11. MAJOR BENEFICIAL AEEI SHAREHOLDERS

The following major beneficial AEEI Shareholders, other than Directors, were, as at the Last Practicable Date, directly or indirectly, the beneficial owners of 5% or more of the issued share capital of AEEI:

AEEI Shareholder	Number of AEEI Shares held	Percentage of issued share capital (%)
Sekunjalo	346 685 622	70.60
Miramare Investments	25 859 927	5.27
*Altopiano Investments	25 163 893	5.12
Total	397 709 442	80.99

Miramare Investments Trust	%	Ultimate beneficial owner
LNA Trust	28.57%	Leonardo Altini
Gianna Altini Trust	14.29%	Giovanna Von Bormann
Luca Altini Trust	14.29%	Luca Altini
Lucia Altini Trust (Taralli Trust)	14.29%	Lucia Altini
Gaetano Altini Trust	14.29%	Gaetano Altini
JACC Trust	14.29%	Claudia Freeman

The above-mentioned ultimate beneficial owners to the trusts are not related to AEEI or its Directors.

*Altopiano Investments is 100% owned by Miramare Investments.

12. SHARE CAPITAL OF AEEI

The table below sets out the authorised and issued share capital of AEEI as at the Last Practicable Date:

Authorised Share Capital	Shares
“B” class ordinary shares (listed)	1 000 000 000
“A” class convertible redeemable cumulative preference shares	1 000
“B” class redeemable preference shares	10 000 000
Issued Share Capital	
“B” class ordinary shares	491 022 434
Treasury shares	5 400

13. DIRECTORS' REMUNERATION AND BENEFITS

- 13.1 The remuneration of the non-executive AEEI Directors will not be affected by the Scheme, however, following the successful implementation of the Delisting, the composition of the AEEI Board will be reassessed.
- 13.2 The members of the Independent Board will not receive additional fees for their role as the Independent Board in the Scheme.

14. DIRECTORS' BENEFICIAL INTERESTS

- 14.1 As at the Last Practicable Date, no AEEI Director held any beneficial interest in AEEI, other than as set out below:

Director	Direct	Indirect beneficial	Indirect non: beneficial	Total Shares	Total percentage (%)
*WJ Raubenheimer	50 000		562 250	612 250	0.13
A Amod	5 000	–	–	5 000	0
CL Geuking-Cohausz	9 614 662	–	1 520 000	11 134 662	2.27
Total	9 669 662		2 082 250	11 751 912	2.39

All three directors are deemed to be acting in concert in terms of Companies Regulation 84 and therefore will be ineligible to vote on the Scheme Resolution as well as the Delisting Resolution as per 1.16 of the JSE Listings Requirements.

- 14.2 At the Last Practicable Date, none of the Directors, including Directors who have resigned in the 18 months prior to the Last Practicable Date, directly or indirectly had a material beneficial interest in transactions effected by AEEI during the current or immediately preceding financial year, or during an earlier financial year in relation to any transactions concluded during that earlier year that remain in any respect outstanding or unperformed.
- 14.3 There have been no changes in the Directors' interests in AEEI Shares during the period from 31 August 2023 up to and including the Last Practicable Date.
- 14.4 *WJ Raubenheimer was appointed to the Independent Board per Takeover Regulations 81 (i) at a Board meeting where all eight members of the AEEI Board were present. His independence was assessed by AEEI's Board and due to his insignificant shareholding, him being the Lead-Independent Non-Executive Director as well as his prior experience as Chairman of the Independent Board for the AYO Unbundling he was elected to the Independent Board. Despite him acting in Concert the Board believes there are no perceived conflict of interests and he is able to make impartial decisions in relation to the offer without fear or favour.

15. THE INDEPENDENT EXPERT REPORT

- 15.1 The Independent Expert has, in accordance with Companies Regulation 90 and section 114 of the Companies Act (read with Companies Regulation 90(2)) and 1.15(d) of the JSE Listings Requirements, provided the Independent Expert Report to the Independent Board, which report has not been withdrawn prior to publication of this Circular.
- 15.2 As further detailed in the Independent Expert Report, the Independent Expert is of the opinion that the terms and conditions of the Scheme and the Scheme Consideration are fair and reasonable to AEEI Shareholders, as each of these terms is contemplated in the Companies Regulations.
- 15.3 The Independent Expert Report is included in **Annexure 1** to this Circular.

16. AEEI INDEPENDENT BOARD'S OPINION AND RECOMMENDATION REGARDING THE SCHEME AND DELISTING

- 16.1 In accordance with the Takeover Regulations, the Board has appointed the Independent Board, which has appointed the Independent Expert to compile a report on the Scheme. The Board has provided all relevant information on the Company requested by the Independent Expert in order to compile its report.

- 16.2 Following the Independent Board's review of the Independent Expert Report, the Independent Board has considered the Scheme and the Scheme Consideration. The Independent Board, after due consideration of the Independent Expert Report, has determined that it will place reliance on the valuation performed by the Independent Expert for the purposes of reaching its own opinion regarding the Scheme, as contemplated in Companies Regulation 110(3)(b) of the Takeover Regulations. The Independent Board has formed a view of the range of the Scheme Consideration for the AEEI Shares, which accords with the range contained in the Independent Expert's report, in considering its opinion and recommendation. The Independent Board is not aware of any factors which are difficult to quantify or are unquantifiable (as contemplated in regulation 110(6) of the Takeover Regulations and has not taken any such factors into account in forming its opinion).
- 16.3 The Independent Board, taking into account the report of the Independent Expert, has considered the terms and conditions of the Scheme and the members of the Independent Board are unanimously of the opinion that the terms and conditions thereof are fair and reasonable to the Shareholders and, accordingly, recommend that the Shareholders accept the Scheme and vote in favour of the Scheme Resolution at the General Meeting.
- 16.4 The directors of AEEI confirm that the Offer is fair insofar as the Shareholders (excluding any related party/ies if it/they are equity security holders) of the issuer are concerned and that the Board has been so advised by an Independent Expert acceptable to the JSE. The Board have obtained a fairness opinion (included in this Circular), prepared in accordance with Schedule 5.

17. AEEI BOARD RESPONSIBILITY STATEMENTS

17.1 Independent Board Responsibility Statement

The Independent Board, collectively and individually, accepts responsibility for the accuracy of the information contained in this Circular which relates to AEEI and confirms that, to the best of its knowledge and belief, such information which relates to AEEI is true and the Circular does not omit anything likely to affect the importance of such information.

17.2 Directors' responsibility Statement

The Directors, whose names are set out in the "Corporate Information and Advisors" section of this Circular, collectively and individually, accept full responsibility for the accuracy of the information contained in this Circular and certify that, to the best of their knowledge and belief that there are no facts that have been omitted which would make any statement false or misleading, and that all reasonable enquiries to ascertain such facts have been made and that this Circular contains all information required by law and the Listings Requirements.

18. LITIGATION STATEMENT

- 18.1 The Group is party to an Equality Court application against ABSA Group Limited ("**ABSA**") and 26 others declaring that the decision of the banks to terminate and/or refusal of banking services and facilities to the Group and other parties involved in the application is inconsistent with their obligations under the Constitution and the Promotion of Equality and Prevention of Unfair Discrimination Act, 2000 (4 of 2000).
- 18.2 The Group is also party to a High Court Parallel Application against ABSA and 22 others raising constitutional rights that do not fall under the Equality Court. The application also seeks to highlight that the termination by the banks of their banking relationship with their clients, purely on notice is irrational, arbitrary, and reviewable under the Promotion of Administrative Justice Act, 2000 (3 of 2000), alternatively under the principle of legality and/or the common law. Furthermore, the application requires a reviewing, correcting, and setting aside of the withdrawal, termination, and closure by the banks of the financial products or services and banking relationships with the Group and the other applicants.
- 18.3 On 15 December 2021, the Group and 35 others instituted a complaint against the banks under the Competition Commission on the banks' abuse of dominance, market power and collusion. The Competition Commission is still investigating the banks' conduct and is yet to give their conclusion on the investigations.

- 18.4 On 22 December 2021, AEEI together with 35 others (hereinafter “**the applicants**”) instituted an application with the Competition Tribunal against Nedbank, Standard Bank of South Africa Limited (“**Standard Bank**”), First Rand Bank Limited, ABSA, Mercantile Bank Limited, Sasfin Bank Limited, Investec Bank Limited, Bidvest Bank Limited and Access Bank Limited (hereinafter “**the respondents**”) to interdict the respondents on an interim basis from terminating their relationship with the applicants. On 16 September 2022, the Competition Tribunal ruled in favour of the applicants and ordered the respondents to reinstate or restore the bank accounts including all services that they provided to the applicants that held accounts with them, on the same terms and conditions as existed prior to the closure or termination of the accounts. The order was granted for the earlier of a six-month period from such date or the finalisation of the investigation by the Competition Commission, with an extension having been granted by the Competition Tribunal to the Applicants for a further period of six months to mid-September 2023. On 6 October 2023, the Competition Tribunal heard a case brought by the Applicants for another extension of the interim order granted by the Tribunal on 16 September 2022. Judgment has been reserved and the bank accounts of AEEI and its Subsidiaries remain open.
- 18.5 AEEI, and its Subsidiaries were party to the Nedbank Equality Court Application in the Western Cape Division, to interdict Nedbank from closing the applicants’ banking facilities, pending determination of the main case in the Equality Court. Nedbank appealed the decision by the Equality Court, which appeal was denied, Nedbank subsequently petitioned the Supreme Court of Appeal. The matter is yet to be heard.
- 18.6 AEEI and its Subsidiaries were part of the applicants in the matter against Standard Bank in both the High Court and the Equality Court interdicting Standard Bank from closing the applicants’ bank accounts. The Equality Court ruled in favour of the applicants and Standard Bank was ordered to refrain from closing the applicants bank accounts until September 2024 or until the determination of the main proceedings in the High Court Case number 13034/2022 and EC01/22 or whichever falls first.
- 18.7 AEEI (through its indirect wholly-owned Subsidiary Kilomix) and BT are co-shareholders of BTSA owning 30% and 70%, respectively. Kilomix and BT were involved in a dispute which related to the validity of the exercise by BT of a call option, in terms of the Shareholders Agreement, in respect of Kilomix’s 30% shareholding in BTSA. The Dispute was referred to arbitration which was set to be heard in July 2023. The Dispute has been settled and the Litigation Parties have entered into the Settlement Agreement. Pursuant thereto, the International Chamber of Commerce (“ICC Arbitration”) has been postponed sine die (without a date) pending implementation of the Settlement Agreement.
- 18.8 On 7 July 2023, Kilomix issued a summons against BT, BTSA and four directors of BTSA in the High Court of South Africa, Gauteng Local Division, Johannesburg, under case no. 2023/066603 for a breach of the Shareholders Agreement and a breach of fiduciary duties by the BTSA directors. The summons has been withdrawn following the settlement of the Dispute in terms of the Settlement Agreement.
- 18.9 The ongoing litigation with banks has not significantly affected current operations as AEEI and its Subsidiaries maintain active bank accounts. While contingency third-party payment solutions are in place in case of an adverse litigation outcome, they are considered temporary measures. It is imperative for AEEI and its Subsidiaries to reestablish positive relationships with the banks to ensure the sustained continuity of their business operations.
- 18.10 On 28 May 2019, ESP Afrika instituted action against PRASA for damages of R15,219,380.00 plus VAT for the alleged breach of a sponsorship agreement concluded between the parties in terms of which PRASA was to provide sponsorship of the Cape Town International Jazz Festival. Pleadings have been closed and ESP Afrika is waiting for the case to be certified trial ready.
- 18.11 Proletariat Construction CC has initiated legal proceedings by serving a summons upon Marine Growers (Pty) Ltd (“Marine Growers”), seeking the payment of R34,906,978.96 in connection with construction services provided. Marine Growers, as the respondent, has opted to contest the claim, asserting the absence of any reasonable basis for the Plaintiff’s demand. This matter is presently pending in the Western Cape High Court and as such no date of the hearing has yet been set.

19. CONSENTS

- 19.1 The Corporate Advisor, Sponsor, Joint Sponsor, Legal Advisor, Transfer Secretaries and Independent Expert have given and have not, prior to the Last Practicable Date, withdrawn their written consents to the inclusion of their names and, where applicable, their reports in the form and context in which they appear in this Circular.
- 19.2 The fees of, *inter alia*, the Corporate Advisor, Sponsor, Joint Sponsor, Legal Advisor and Transfer Secretaries are disclosed in paragraph 10 of this Circular. The Corporate Advisor services provided are those that are interlinked with the Sponsor role, regarding providing advice on aspects of structuring and implementing the Scheme and the Delisting and certain commercial aspects of the Scheme and Delisting, as well as drafting of this Circular and supporting documentation. The Corporate Advisor and Sponsor fees in this instance do not include a success fee based on the value of the Scheme and as such, the Corporate Advisor and Sponsor do not believe that the joint role of corporate advisor impairs independence to act as Sponsor.

20. CONFLICT OF INTEREST

- 20.1 Vunani Sponsors is acting in the capacities of Corporate Advisor and Sponsor. As required in terms of the Listings Requirements, it is confirmed that in order to manage any potential or perceived conflict of interest that might arise as a result of Vunani Sponsors in these roles, Vunani Sponsors has in place appropriate checks and balances and divisions of responsibility amongst the persons involved in fulfilling these various functions.
- 20.2 Merchantec Capital has been appointed by AEEI as the Company's independent Joint Sponsor for purposes of, *inter alia*, reviewing this Circular and associated announcements to ensure compliance with the Listings Requirements.

21. MATERIAL CONTRACTS

- 21.1 AEEI has a management agreement with PFB. The services provided by AEEI in exchange for monthly management fees comprise of payroll and human resource assistance, strategic planning and business development, company secretarial services, general assistance with respect to compliance with statutory duties, marketing and communications. The original agreement was entered into on 1 March 2010. The management fees are disclosed in the related party note in the AEEI Group AFS.
- 21.2 There have been no other contracts entered into within the last two years or anytime that is material to the group at the Last Practicable Date as per 7.F.1 (a) of the Listings Requirements or entered into at any time and containing an obligation or settlement that is material to the Issuer or its subsidiaries at the date of the circular per 7.F.1 (b) of the Listings Requirements.

21.3 SALIENT TERMS

The agreement does not constitute a partnership or quasi partnership. The parties shall not be entitled to bind the other of the parties to any agreement.

The agreement will be terminated when Premier Fishing ceases to be a subsidiary of AEEI or Premier Fishing and AEEI agree to terminate the agreement or once the agreement is terminated in accordance with any applicable law (whether common law, statute or otherwise).

The management fee is calculated as 1.25% of budgeted revenue and is capped at R7.5m per annum.

22. MATERIAL CHANGES

The Directors note the disposal of the BTSA Shares held by Kilomix to BTSA for an aggregate amount of R290 million which was effected on 28 December 2023. Shareholders are referred to the announcements released on SENS on 28 September and 24 November 2023, and the Circular relating to the disposal by Kilomix, a wholly owned subsidiary of AEEI, of 30 000 ordinary shares, constituting 30% of the issued share capital of BTSA, a subsidiary of BT Limited, to BTSA for an aggregate amount of R290 million.

The Directors are not aware of any other material changes in the financial or trading position of AEEI since the publication of AEEI's reviewed consolidated provisional results for the 12 months ended 31 August 2023, up to and including the Last Practicable Date.

23. MATERIAL RISKS

Details of the material risks are stipulated in the table below:

RISK AND RATIONALE	MITIGATION	OPPORTUNITIES
1 Lack of access to banking facilities	<ul style="list-style-type: none"> • Transparent communication with all stakeholders regarding our banking facilities. • The Group looked at alternative banking arrangements and kept stakeholders abreast of the Group's situation. • The Group had to review its business operations and processes. 	<ul style="list-style-type: none"> • Diversification of banking facilities to less traditional mainstream banks. • Engage with banking institutions more robustly to re-establish a strong relationship which lays a foundation for long-term partnership.
2 Loss of support from stakeholders due to reputational damage	<ul style="list-style-type: none"> • Transparent communication with material stakeholders regarding media allegations. • Engaged with third parties that raised issues that may have the potential to damage/ impact AEEI's reputation. • Regular engagement with institutions regarding any concerns raised. • Meticulous compliance with the relevant laws, regulations and Acts. 	<ul style="list-style-type: none"> • Increase focus on building AEEI's brand and reputation. • Improve communication with stakeholders. • Improve relationships with Shareholders and institutions to support AEEI's growth plans.
3 Loss of business demand due to the economic recession, tarnished reputation, and the negative impact of COVID-19	<ul style="list-style-type: none"> • The Group had to review its business operations, processes and structures under the "new norm". • Revised AEEI's strategic priorities. • The Group continues to follow the government's COVID-19 protocols in dealing with the pandemic. • Support services remain available to employees. • Streamlining and resizing businesses to reduce operational expenditure and the strain on cash resources. • Management teams identified areas of innovation in operations to increase efficiency and develop products and services that respond to the current environment. 	<ul style="list-style-type: none"> • The health and safety of employees are optimised. • The pandemic has necessitated new revenue streams from the demand for products and services. • Enhancing assets. • Optimising plant and equipment. Improve margins that will optimise business operations. • Decrease losses and improve operational efficiency to reduce financial risk.

RISK AND RATIONALE	MITIGATION	OPPORTUNITIES
4 Non-compliance with regulatory requirements resulting in fines and penalties	<ul style="list-style-type: none"> • Training and awareness are continuously assessed and provided across the Group. • Policies and procedures are updated regularly to adapt to all new regulations and legislative requirements. • King IV™ compliance review completed annually through a Governance Instrument. • The use of field experts and consultants. 	<ul style="list-style-type: none"> • Compliance with applicable laws and regulations by the Group • Entrenching corporate governance and ethics awareness in businesses and employees.
5 Inability to raise funding due to reputational damage and economic downturn	<ul style="list-style-type: none"> • Continuous communication of the value proposition of our products, services and businesses. • Build agility in the way AEEI conducts its businesses. • Diversification of products, brands, services and companies in which AEEI invests. Continue to seek alternative markets for AEEI's products, brands and services. • Insurance cover has been taken out where applicable. 	<ul style="list-style-type: none"> • Focus on acquisition strategy to ensure revenue is not negatively affected. • Improve communication with the market regarding AEEI's value proposition. • Focus on internal reviews and reflect on the success of AEEI's strategy. • Acquiring good businesses at favourable prices.
6 Business interruption due to information technology systems downtime or breaches	<ul style="list-style-type: none"> • Restrict access to the Group's communication and technology systems through e.g., firewalls. The monitoring of the IT systems for possible IT-related breaches, cyber ransomware attacks and malicious software. • The rollout and implementation of the new IT system. • Back-ups are performed daily and stored on different external servers and off-site. • Service level agreements with third party IT service providers. • Communication and promotion of safe IT protocols. 	<ul style="list-style-type: none"> • The Group can maintain data integrity and decrease downtime on a secure IT system. Uninterrupted business practices will lead to efficiency and maximising profits. • Optimising "The Way We Work" in a digital world.
7 Loss of critical skills due to reputational damage and the competitive job market	<ul style="list-style-type: none"> • A bursary scheme is in place. • Market-related remuneration and equal pay. • Career development opportunities, including internal skills training. • Employee wellness programmes. • Training and upskilling of employees. • Succession planning for critical skills is on the Board agenda. 	<ul style="list-style-type: none"> • Become an employer of choice by offering an ethical working culture and an environment that attracts and retains superior employees.

	RISK AND RATIONALE	MITIGATION	OPPORTUNITIES
8	Inability to respond adequately to environmental challenges such as climate change	<ul style="list-style-type: none"> Adherence to marine management policies from the Marine and Coastal Management to ensure no overfishing takes place. Recycling and better waste removal techniques are being employed across the Group. Communication on climate change in the organisation so that employees are more aware and can make climate-friendly change. 	<ul style="list-style-type: none"> There is an opportunity for the Group to maintain a clean, safe environment, reduce carbon emissions and be seen as a good corporate citizen. Integrating ESG factors into our business units.

24. GENERAL MEETING

The General Meeting is scheduled to be entirely held via a remote interactive electronic platform, at 10:00 on Wednesday, 28 February 2024 for the purposes of considering and if deemed fit, passing with or without modification, the Resolutions. A notice convening the General Meeting, and a Form of Proxy (*yellow*), for use by Certificated Shareholders and Dematerialised Shareholders with own-name registration who are unable to attend the General Meeting, form part of this Circular.

25. STATEMENT OF WORKING CAPITAL

25.1 AEEI will use its existing cash resources to fund the Scheme Consideration.

25.2 The Board has considered the impact of the Scheme and is of the opinion that:

25.2.1 the relevant provisions of sections 4, 46 and 48 of the Companies Act in relation to the Scheme have been complied with or will be complied with;

25.2.2 the Group will be able, in the ordinary course of business, to pay its debts for a period of 12 months from the date of approval of this Circular;

25.2.3 the assets of the Group are in excess of its liabilities for a period of 12 months from the date of approval of this Circular, where for this purpose, the assets and liabilities are recognised and measured in accordance with the accounting policies used in the latest audited consolidated annual financial statements of the Group;

25.2.4 the share capital and reserves of the Group will be adequate for ordinary business purposes for a period of 12 months from the date of approval of this Circular; and

25.2.5 the working capital of the Group will be adequate for ordinary business purposes for a period of 12 months from the date of approval of this Circular.

25.3 Furthermore, the Board states as follows:

25.3.1 in terms of section 46(1)(a)(ii) of the Companies Act the Board has, by resolution, authorised the Scheme; in terms of section 46(1)(b) of the Companies Act, it reasonably appears that AEEI and the Group will satisfy the solvency and liquidity test as contemplated in section 4 of the Companies Act ("**Solvency and Liquidity Test**") immediately after completing the Scheme; and

25.3.2 in terms of section 46(1)(c) of the Companies Act the Board has, by resolution, acknowledged that it has applied the Solvency and Liquidity Test, and reasonably concluded that AEEI will satisfy the Solvency and Liquidity Test immediately after completing the Scheme and that, since the Solvency and Liquidity Test was performed by the Board on 21 November 2023 there have been no material changes to the financial position of AEEI and the Group.

26. DOCUMENTS INCORPORATED BY REFERENCE

The following information has been incorporated by reference in terms of paragraph 11.61 of the Listings Requirements and is available for viewing on the Company's website as set out below, and at the Company's registered office and at the Corporate Advisor and Sponsor's office from Wednesday, 31 January to Wednesday, 28 February 2024.

Paragraph reference	Information	Website link
Paragraph 8 Historical Financial Information	AEEI's reviewed condensed consolidated annual financial statements for the year ended 31 August 2023	https://aeei.co.za/wp-content/uploads/2023/12/AEEI-Group-Long-Form-Annoucement-13-December-2023-01h33.pdf
Paragraph 8 Historical Financial Information	AEEI's annual financial statements for the year ended 31 August 2022	https://aeei.co.za/investor-relations/annual-financial-statements-2022/
Paragraph 8 Historical Financial Information	AEEI's annual financial statements for the year ended 31 August 2021	https://aeei.co.za/investor-relations/annual-financial-statements-2021/

27. DOCUMENTS AVAILABLE FOR INSPECTION

The following documents will be available for inspection during normal business hours at the registered office of AEEI and at the offices of Vunani Sponsors, whose addresses are set out in the "Corporate Information and Advisors" section of this Circular, from Wednesday, 31 January 2024, until the date of the General Meeting (both days inclusive) as well as the Company's website <https://aeei.co.za>:

- 27.1 a copy of the MOI and a copy of the memorandum of incorporation of each of AEEI's major Subsidiaries;
- 27.2 copies of the audited annual financial statements of AEEI for the years ended 31 August 2023, 31 August 2022 and 31 August 2021;
- 27.3 a copy of the Independent Expert Report presented in **Annexure 1** to this Circular;
- 27.4 the letter confirming approval of this Circular by the TRP;
- 27.5 the written consent letters referred to in paragraph 19 of this Circular;
- 27.6 the material contract referred to in paragraph 21 of this Circular; and
- 27.7 a signed copy of this Circular.

SIGNED ON 31 JANUARY 2024 BY WILLEM JOHANNES RAUBENHEIMER ON BEHALF OF THE INDEPENDENT BOARD, BEING DULY AUTHORISED IN TERMS OF A BOARD RESOLUTION GRANTED TO HIM BY SUCH DIRECTORS

WILLEM JOHANNES RAUBENHEIMER

(Chairperson)

SIGNED ON 31 JANUARY 2024 BY V C DZVOVA ON BEHALF OF AEEI, BEING DULY AUTHORISED IN TERMS OF A BOARD RESOLUTION GRANTED TO HER BY SUCH DIRECTORS

VALENTINE COLLETA DZVOVA

Chief Executive Officer

Wednesday, 31 January 2024

INDEPENDENT EXPERT'S REPORT

The Directors
African Equity Empowerment Investments Limited
10th Floor Convention Tower
Cnr Heerengracht and Walter Sisulu Avenue
Foreshore
Cape Town
8001

26 January 2024

Dear Sirs

REPORT OF THE INDEPENDENT EXPERT IN RESPECT OF THE PROPOSED SCHEME OF ARRANGEMENT BY AFRICAN EQUITY EMPOWERMENT INVESTMENTS LIMITED (“AEEI” OR THE “COMPANY”) TO ITS SHAREHOLDERS OTHER THAN THE CONCERT PARTIES, IN TERMS OF SECTION 114 OF THE COMPANIES ACT, AS READ WITH REGULATIONS 90 AND 110 OF THE COMPANIES REGULATIONS AND THE PROPOSED DELISTING OF AEEI SHARES FROM THE JSE IN TERMS OF PARAGRAPH 1.14 TO PARAGRAPH 1.16 OF THE JSE LISTINGS REQUIREMENTS

Introduction and proposed transaction

In the firm intention announcement made by AEEI on the Stock Exchange News Service (“**SENS**”) of the exchange operated by the Johannesburg Stock Exchange Limited (the “**JSE**”) on 16 October 2023 and the subsequent changes to the Firm Intention Announcement released on SENS on 1 December 2023 and 5 January 2024 (the “**Firm Intention Announcement**”), holders of ordinary no par value shares in the issued share capital of AEEI (the “**Shares**”) (“**AEEI Shareholders**”) were advised that the board of directors of AEEI (“**Board**”) has resolved to make an offer to all shareholders other than 346 685 622 shares held by Sekunjalo Investment Holdings (Pty) Limited (“**SIH**”), to acquire their shares by way of a scheme of arrangement in accordance with section 114(1)(e) of the Companies Act, 2008 (Act 71 of 2008) as amended (“**Act**”), for a cash consideration of R1.15 per share (“**Scheme Consideration**”), subject to certain conditions, being a maximum of 144 336 812 shares for a total maximum Scheme Consideration of R165 987 333.80 (“**the Scheme**”) (“**Scheme Shares**”).

Subsequent to the Scheme becoming operative, the Company intends to delist from the JSE in terms of paragraph 1.14 to paragraph 1.16 of the JSE Listings Requirements (“**Delisting**”).

Fair and reasonable opinion required in terms of the Act and the JSE Listings Requirements

The Scheme is an affected transaction as defined in section 117(1)(e) of the Act. In terms of Sections 114(2) of the Act, as read with Regulations 90 and 110 of the Companies Regulations, 2011 (“**Companies Regulations**”), the independent board of AEEI (the “**AEEI Independent Board**”) is required to retain an independent expert to provide an independent expert report (in the form of a fair and reasonable opinion) in terms of section 114(3) of the Act and Regulations 90 and 110 of the Companies Regulations (the “**Fair and Reasonable Opinion**” or “**Opinion**”).

Exchange Sponsors Projects (Pty) Ltd (“**Exchange Sponsors**”) has been appointed as the independent expert by the AEEI Independent Board to assess the Scheme and advise on whether the terms and conditions of the Scheme are fair and reasonable to AEEI Shareholders, as required in terms of section 114 of the Act and Regulation 90 of the Companies Regulations.

In terms of paragraph 1.15(d) of the JSE Listings Requirements a statement must be included by the Board of Directors of AEEI confirming that the Offer is fair insofar as the Shareholders (excluding any related parties) of AEEI are concerned and that the Board of Directors has been so advised by an Independent Expert acceptable to the JSE. The Board of Directors must obtain a fairness opinion (which must be included in the circular), prepared in accordance with Schedule 5 of the JSE Listings Requirements before making this statement. The Board of Directors has appointed Exchange Sponsors as Independent Expert in terms of the JSE Listings Requirements.

The Opinion set out herein is provided to the AEEI Independent Board for the purpose of assisting the AEEI Independent Board in forming and expressing an opinion on whether the Scheme is fair and reasonable to AEEI Shareholders and the Opinion is provided to the Board of Directors of AEEI as required in terms of paragraph 1.15(d) of the JSE Listings Requirements.

Copies of sections 115 and 164 of the Act are included in **Annexure 4** and **Annexure 5** respectively of the circular to Shareholders, dated 31 January 2024 (the “**Circular**”).

Responsibility

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

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

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

A Scheme may be said to be fair to shareholders if the Scheme consideration is equal to or greater than the fair value of a Scheme share, or unfair if the Scheme consideration is less than the fair value of a Scheme share. Furthermore, in terms of Regulation 110(8) of the Companies Regulations and Schedule 5 of the JSE Listings Requirements, a Scheme with a consideration per Scheme regulated company security within the fair-value range is generally considered to be fair.

The assessment of reasonableness of a transaction is generally based on qualitative considerations surrounding the transaction. Therefore, even though the consideration to be paid in respect of a Scheme may be lower than the market value, the Scheme may be considered reasonable after considering other significant qualitative factors. In terms of Regulation 110(9) of the Companies Regulations, a Scheme with a Scheme consideration per regulated company security above the Scheme regulated company’s traded security price at the time the Scheme consideration per security was announced, or at some other more appropriate identifiable time, is generally considered to be reasonable.

Details and sources of information

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

- the Firm Intention Announcement;
- the terms and conditions of the Scheme, as set out in the Circular;
- management accounts of AEEI (Company only) for the year ended 31 August 2023;
- reviewed condensed consolidated annual financial results of AEEI for the year ended 31 August 2023;
- audited annual financial statements for AEEI (Company only) for the year ended 31 August 2022 and 31 August 2021;
- unaudited condensed consolidated interim results of AEEI for the six-month period ended 28 February 2023;
- management accounts of Global Command and Control Technologies (Pty) Limited (“**GCCT**”) for the year ended 31 August 2023;
- five-year forecast of GCCT for the years ended 31 August ended 2028;
- audited financial statements of GCCT for the years ended 31 August 2022 and 31 August 2021;
- unaudited annual financial statements for Orleans Cosmetics (Pty) Limited (“**Orleans Cosmetics**”) for the year ended 31 August 2023;
- five-year forecast of Orleans Cosmetics for the years ended 31 August ended 2028;
- audited annual financial statements for Orleans Cosmetics for the years ended 31 August 2022 and 31 August 2021;
- management accounts of Premier Fishing and Brands Limited (“**Premier**”) for the year ended 31 August 2023;
- five-year forecast of Premier for the years ended 31 August ended 2028;
- integrated annual report of Premier for the years ended 31 August 2022 and 31 August 2021;
- audited financial statements of African Legend Investments (Pty) Limited (“**African Legend**”) for the year ended 31 March 2023 and 31 March 2022;

- management accounts of SGT Solutions (Pty) Limited (“**SGT**”) for the year ended 31 August 2023;
- five-year forecast of SGT for the years ended 31 August 2028;
- audited financial statements of SGT for the years ended 31 August 2022 and 31 August 2021;
- AEEI SENS announcements dated 28 December 2023, 1 December 2023, 24 November 2023, 16 October 2023, 28 September 2023 and 21 September 2023;
- share trading statistics for AEEI and Sygnia Limited (“**Sygnia**”) for period ended 11 January 2024 as supplied by the JSE;
- discussions with the AEEI directors and management and/or their advisors regarding the de-listing;
- discussions with the AEEI directors and management on prevailing market, economic, legal and other conditions which may affect underlying value;
- discussions with AEEI management on the implications of the various litigations raised in paragraph 18.10 and 18.11 in the Circular;
- publicly available information relating to the industry in which AEEI operates in general; and
- publicly available information relating to AEEI that we deemed to be relevant, including AEEI announcements and media articles.

Procedures

In arriving at our Opinion, we have undertaken the following procedures and taken into account the following factors in evaluating the fairness and reasonableness of the Scheme:

- reviewed the terms and conditions of the Firm Intention Announcement;
- analysed and reviewed all relevant financial information as set out above;
- performed such other studies and analyses as we deemed appropriate and have considered our assessment of general economic, market and financial conditions and our experience in other transactions, as well as our experience in securities valuation and knowledge of the industry in which AEEI operates;
- held discussions with AEEI directors and management regarding the past and current business operations, regulatory requirements, financial conditions and prospects of AEEI, and such other matters as we have deemed relevant to our inquiry;
- determined the fair value of AEEI by applying appropriate generally accepted valuation approaches and methods in use in the market from time to time in order to derive the fair value of AEEI. A sum-of-the-parts valuation of AEEI was performed as AEEI is an investment company and most of the underlying investments were valued by using a DCF valuation;
- reviewed the valuation technique used by the directors of African Legend to confirm the appropriateness for use as part of the Report of the Independent Expert and the Independent Expert is satisfied with the valuation;
- evaluated the relative risks associated with AEEI and the industry in which it and its investee company (“**AEEI Group**”) operates;
- considered the long-term prospects of the AEEI Group;
- considered the implications of the various litigations raised in paragraph 18.10 and 18.11 in the Circular and the impact thereof on the Opinion;
- reviewed certain publicly available information relating to the AEEI Group and the industries in which it operates that we deemed to be relevant, including announcements and media articles; and
- where relevant, representations made by AEEI directors and management were corroborated to source documents or independent analytical procedures were performed by us, to examine and understand the industry in which AEEI Group operates, and to analyse external factors that could influence the business of the AEEI Group.

Valuation Approach

In evaluating the Scheme, we have performed a sum-of-the-parts valuation as AEEI is an investment company, by valuing each of the major investments separately, as follows:

- The minor investments have been valued at book value at 31 August 2023 based on the values included in management accounts at 31 August 2023;
- The 56.23% investment in Premier has been valued by us performing a DCF valuation of Premier based on management’s five-year forecast for the years ending 31 August 2028.

The DCF valuation method discounts the stream of future free cash flows attributable to the business, at an appropriate discount rate. Free cash flows represent the cash which Premier generates from its operating activities, after deducting taxation payable, working capital movements and capital expenditure. Interest received and paid, depreciation and dividends declared were excluded in determining free cash flows.

From these discounted cash flows the enterprise value for Premier was calculated and adjusted for cash, cash equivalents and borrowings to calculate the equity value.

The key internal value drivers for the business of Premier are as follows:

- Fish and squid catches and revenue are expected to remain stable for the forecast period in-line with historic trends;
- Export prices for all sectors expected to be consistent;
- Exchange rate is forecast to remain stable with no major depreciation in the ZAR for the years 2023 – 2028.

The key external value drivers for the business of Premier are as follows:

- Pricing per kg of exports.
- Exchange Rates (as Premier would need to translate invoices to local currency).
- Consistency and availability of the resource.
- Seasonality (prices per kg can vary according to seasonality).
- Inflationary pressures.
- Changes to the Quotas reducing the total allowable catches per sector.

The critical DCF valuation assumptions were:

- Terminal growth rate: 4%;
 - Five-year Revenue CAGR: 1.4%;
 - Discount rate: 19.4%.
- The value of the investment in Kilomix (Pty) Limited (“**Kilomix**”), which owns 30% of BT SA, has been determined based on the AEEI SENS announced on 28 September 2023 and circular dated 24 November 2023 as well as the SENS announcement dated 28 December 2023 where Shareholders approved the disposal by Kilomix of its 30% shareholding in BT Communications for an aggregate amount of R290 million.
 - The 2.34% investment in Africa Legend has been based on the fair value estimate of the directors of African Legend included in the audited financial statement for the year ended 31 March 2023;
 - The shares owned in Sygnia; a company listed on the JSE has been valued at the share price on 11 January 2024;
 - The 60% investment in Main Street 1653 (Pty) Limited, whose only asset is an investment in SGT has been valued by us performing a DCF valuation of SGT based on management’s five-year forecast for the years ending 31 August 2028.

The DCF valuation method discounts the stream of future free cash flows attributable to the business, at an appropriate discount rate. Free cash flows represent the cash which SGT generates from its operating activities, after deducting taxation payable, working capital movements and capital expenditure. Interest received and paid, depreciation and dividends declared were excluded in determining free cash flows.

From these discounted cash flows the enterprise value for SGT was calculated and adjusted for cash, cash equivalents and borrowings to calculate the equity value.

The key internal value drivers for the business of SGT are as follows:

- Strong customer and supplier relationships will continue;
- Continued focus on improving margins and cost reductions;
- The strong, experienced and qualified management team are expected to remain with the business;
- Transition from being a product focus business to services and maintenance offerings.

The key external value drivers for the business of SGT are as follows:

- Digital Infrastructure: The development and expansion of high-speed internet connectivity, data centers, and reliable infrastructure are crucial for fostering ICT growth. South Africa has made significant progress in improving its digital infrastructure, enabling businesses and individuals to access and utilise ICT services more effectively.
- Demand for ICT Services: The increasing demand for ICT services from various sectors, including finance, healthcare, education, and retail, contributes to the growth of the ICT sector.
- Smart City Initiatives: The development of smart city initiatives, including the implementation of IoT (Internet of Things) solutions, smart infrastructure, and digital governance systems, has driven the demand for advanced ICT technologies in urban development and management.

The critical DCF valuation assumptions were:

- Terminal growth rate: 4%;
 - Five-year Revenue CAGR: 6.15%;
 - Discount rate: 19.4%.
- The 76% investment in GCCT has been valued by us performing a DCF valuation of GCCT based on management's five-year forecast for the years ending 31 August 2028.

The DCF valuation method discounts the stream of future free cash flows attributable to the business, at an appropriate discount rate. Free cash flows represent the cash which Orleans Cosmetics generates from its operating activities, after deducting taxation payable, working capital movements and capital expenditure. Interest received and paid, depreciation and dividends declared were excluded in determining free cash flows.

From these discounted cash flows the enterprise value for GCCT was calculated and adjusted for cash, cash equivalents and borrowings to calculate the equity value.

The key internal value drivers for the business of GCCT are as follows:

- Conversion rate for tenders and proposal to remain high;
- Renewal of current projects;
- Expansion plans are in place for both South Africa and overseas countries;
- Gross profit margins to remain attractive.

The key external value drivers for the business of GCCT are as follows:

- Need for enhanced integrated situational awareness (SA) to support decision-making.
 - a. The demand for advanced intelligence, surveillance and reconnaissance technologies integrated with command and control capabilities provide air, ground and maritime solutions with real-time SA information for strategic decision-making.
- The increase in adoption of SA systems by governments in various countries around the world for the defense sectors. The use of control and command systems in the aerospace industry.
- Demand for integrated command and control systems in the transportation, healthcare, and law enforcement sectors.
 - a. Increase in demand for efficient transportation and accident safe systems.
 - b. Command and control systems integrated with satellite-based GIS systems for monitoring, mapping and identifying criminals through facial recognition software.
 - c. Command and control systems used for security management at airports and in the oil and gas industry.
- Growth in the Fixed command Centre – C2 Centers in the military sector and fixed command and control centers are used to control critical infrastructure, industrial sites, ports, harbors and private airports.

The critical DCF valuation assumptions were:

- Terminal growth rate: 4%;
- Five-year Revenue CAGR: 0.72%;
- Discount rate: 19.4%.

- The 90% investment in Orleans Cosmetics has been valued by us performing a DCF valuation of Orleans Cosmetics based on management's five-year forecast for the years ending 31 August 2028.

The DCF valuation method discounts the stream of future free cash flows attributable to the business, at an appropriate discount rate. Free cash flows represent the cash which Orleans Cosmetics generates from its operating activities, after deducting taxation payable, working capital movements and capital expenditure. Interest received and paid, depreciation and dividends declared were excluded in determining free cash flows.

From these discounted cash flows the enterprise value for Orleans Cosmetics was calculated and adjusted for cash, cash equivalents and borrowings to calculate the equity value.

The key internal value drivers for the business of Orleans Cosmetics are as follows:

- Exclusive distribution with major brands to continue;
- Strong customer and supplier will continue;
- Strong and experienced management team are expected to continue with the business;
- Ability to select various brands for portfolio.

The key external value drivers for the business of Orleans Cosmetics are as follows:

- Influence of Social Media and Digital Marketing: The widespread use of social media and digital marketing has significantly impacted the skincare and beauty industry in South Africa. Influencer marketing, online tutorials, and e-commerce platforms have facilitated greater consumer engagement and product accessibility, driving industry growth;
- Innovation and Product Development: Ongoing innovation in skincare and beauty product development, including the introduction of new ingredients, formulations, and technology-driven solutions, has driven consumer interest and contributed to market growth;
- Diversity and Inclusivity: The recognition of diverse beauty standards and the promotion of inclusivity in the industry have led to the development of products tailored to a wider range of skin types, tones, and concerns. This inclusivity has expanded the market and contributed to industry growth.

The critical DCF valuation assumptions were:

- Terminal growth rate: 4%;
- Five-year Revenue CAGR: 12.6%;
- Discount rate: 24.4%.

- Current assets, loans receivable and liabilities at book value at 31 August 2023 based on the values included in the management accounts 31 August 2022 with an appropriate impairment for loans receivable based on management's assessment of unrecoverable loans;

The valuation determined was then adjusted with an appropriate discount for holding companies listed on the JSE.

Assumptions

We arrived at our Opinion based on the following assumptions:

- current economic, regulatory and market conditions will not change materially;
- AEEI is not involved in any other material legal proceedings other than what has been disclosed in the Circular;
- there are no known undisclosed contingencies that could have a material effect on the value of AEEI;
- the Scheme will not give rise to any undisclosed tax liabilities;
- that reliance can be placed on the historic and forecast financial information of AEEI and AEEI Group as set out above; and
- reliance on the assumptions in the information available made by AEEI's representatives, during the course of forming this Opinion.

Opinion

We determined a value range per Scheme Share of between R1.045 per Scheme Share and R1.155 per Scheme Share, with a most likely value of R1.100 per Scheme Share.

Exchange Sponsors has considered the terms and conditions of the Scheme and, based upon and subject to the conditions set out herein, we are of the opinion that the Scheme is fair to AEEI Shareholders due to the Scheme Consideration being in the upper end of the value range.

In considering the reasonableness of the Scheme we have reviewed the recent share price movements of AEEI shares which are as follows:

	AEEI share price (Rands)	Scheme Consideration (Rands)	Premium %
13 October 2023 – trading day before Firm Intention Announcement	R0.900	R1.15	27.8%
30-day trading volume weighted average price up to 13 October 2023	R0.146	R1.15	1.1%
90-day trading volume weighted average price up to 13 October 2023	R1.138	R1.15	1.1%

It should be noted that on 28 September 2023 AEEI advised shareholders that Kilomix disposed of its 30% shareholding in BT Communications for an aggregate amount of R290 million. This compares to the value of R773,5 million it was stated in AEEI's unaudited condensed consolidated interim results for the six-month period ended 28 February 2023. The effect is that the net asset value per AEEI share has reduced by R0.989 per share.

We have further considered the ongoing disputes between AEEI and its bankers, as detailed in paragraph 18 of the Circular, in terms of which AEEI's bankers have given notice of terminating their relationship with AEEI and/or refusing to provide banking and payment services to AEEI. As detailed in paragraph 18.9 of the Circular, while contingency third-party payment solutions are in place in case of an adverse litigation outcome, they are considered temporary measures. It is uncertain how long it will take to resolve the dispute and the possible closing of the transactional banking facilities of the Company and its subsidiaries are a major operational risk factor.

Based on the qualitative considerations set out above, we are of the opinion that the terms and conditions of the Scheme are reasonable to AEEI shareholders.

Conclusion

Based on the results of our procedures performed, our valuation work detailed above and subject to the conditions set out herein, we are of the opinion that the Scheme is fair and reasonable to AEEI Shareholders.

Limiting conditions

This Opinion is provided to the AEEI Independent Board in connection with and for the purposes of the Scheme, for the purpose of assisting the AEEI Independent Board in forming and expressing an opinion for the benefit of the AEEI shareholders and the Opinion is provided to the Board of Directors of AEEI as requirements in terms of paragraph 1.15(d) of the JSE Listings Requirements.

We have relied upon and assumed the accuracy of the information provided to us in deriving our opinion. Where practical, we have corroborated the reasonableness of the information provided to us for the purpose of our opinion, whether in writing or obtained in discussion with AEEI management, by reference to publicly available or independently obtained information. While our work has involved an analysis of, *inter alia*, the annual financial statements, and other information provided to us, our engagement does not constitute an audit conducted in accordance with generally accepted auditing standards. Accordingly, we assume no responsibility and make no representations with respect to the accuracy or completeness of any information provided to us in respect of the Scheme.

Our opinion is necessarily based upon the information available to us up to 15 January 2024, including financial, market and other conditions and circumstances existing and disclosed to us at the date thereof. We have furthermore assumed that all conditions precedent, including any material regulatory and other

approvals and consents required in connection with the Scheme have been fulfilled or obtained. Accordingly, it should be understood that subsequent developments may affect this Opinion, which we are under no obligation to update, revise or re-affirm this Opinion based on such developments.

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

We have also assumed that the Scheme will have the legal consequences described in discussions with, and materials furnished to us by representatives and advisers of AEEI and we express no opinion on such consequences. Our opinion is based on current economic, regulatory and market as well as other conditions. Subsequent developments may affect the Opinion, and we are under no obligation to update, review or re-affirm our opinion based on such developments.

Independence, competence and fees

We confirm that neither we nor any person related to us (as contemplated in the Act) have a direct or indirect interest in AEEI, nor have had within the immediately preceding two years, any relationship as contemplated in section 114(2)(b) of the Act, and specifically declare, as required by Regulations 90(6)(i) and 90(3)(a) of the Companies Regulations, that we are independent in relation to the Scheme and will reasonably be perceived to be independent. We confirm that neither we nor any person related to us (as contemplated by the JSE Listings Requirements) has any existing or continuing relationship with AEEI or with any party involved with the Scheme and Delisting as contemplated in paragraph 5.12 of Schedule 5 of the JSE Listings Requirements and has not had such relationship within the past 18 months.

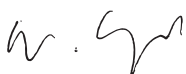
We also confirm that we have the necessary competence to provide the Opinion on and meet the criteria set out in section 114(2)(a) of the Act and Schedule 5 of the JSE Listings Requirements.

Furthermore, we confirm that our professional fees of R350 000.00, payable in cash, are not contingent upon the success of the Scheme.

Consent

We hereby consent to the inclusion of this Fair and Reasonable Opinion, in whole or in part, and references thereto in the Circular and any other announcement or document pertaining to the Scheme, in the form and context in which they appear.

Yours faithfully



Marius Meyer CA (SA)

Director

Exchange Sponsors

44a Boundary Road

Inanda

2196

EXTRACT OF SECTION 106 OF THE COMPANIES ACT

Reg 106(4)(e):

- (e) a statement indicating whether or not any agreement exists between the offeror, or any person acting in concert with the offeror, and:
 - (i) the offeree regulated company;
 - (ii) any of the directors of the offeree regulated company, or persons who were directors within the preceding 12 months of the offeree regulated company; or
 - (iii) holders of offeree regulated company securities, or persons who were holders thereof within the preceding 12 months, if the agreement is considered to be material to a decision regarding the offer to be taken by the holders or offeror holders,and material terms of any such agreement;

Reg 106(7)(e) and (f):

- (e) material particulars of any service contract of any director or proposed director of the offeree regulated company with the offeree regulated company, or with any of its subsidiaries, or a statement that there are no such contracts, if that is the case;
- (f) particulars of service contracts entered into or amended within six months before the date of the offer period, or a statement that there are no such contracts, if that is the case;

EXCHANGE CONTROL REGULATIONS

The definitions and interpretations commencing on page 11 of this Circular apply, *mutatis mutandis*, to this Annexure (unless the context indicates otherwise).

1. FOREIGN SHAREHOLDERS

- 1.1 The Scheme may be affected by the laws of the relevant jurisdiction of a Foreign Shareholder. A Foreign Shareholder should acquaint itself with and observe any applicable legal requirements of such jurisdiction in relation to all aspects of this Circular that may affect it. It is the responsibility of each Foreign Shareholder to satisfy itself as to the full observance of the laws and regulatory requirements of the relevant jurisdiction in connection with the Scheme, including the obtaining of any governmental, exchange control or other consents, the making of any filings which may be required, the compliance with other necessary formalities and the payment of any taxes or other requisite payments due in such jurisdiction.
- 1.2 The Scheme is governed by the laws of South Africa and is subject to any applicable laws and regulations, including the Exchange Control Regulations.
- 1.3 Any Shareholder who is in doubt as to its position, including, without limitation, its tax status, should consult an appropriate independent professional advisor in the relevant jurisdiction without delay.

2. EXCHANGE CONTROL REGULATIONS

The following is a summary of the Exchange Control Regulations. It is intended as a guide only and is not a comprehensive statement of the Exchange Control Regulations which apply to Shareholders. Shareholders who have any queries regarding the Exchange Control Regulations should contact their own professional advisors without delay.

2.1 Residents of the Common Monetary Area In the case of:

- 2.1.1 Certificated Shareholders whose registered addresses in the Register are within the Common Monetary Area and whose Documents of Title are not restrictively endorsed in terms of the Exchange Control Regulations, the Scheme Consideration will be transferred to such Shareholder by electronic funds transfer; and
- 2.1.2 Dematerialised Shareholders whose registered addresses in the Register are within the Common Monetary Area and whose accounts with their CSDP or Broker have not been restrictively designated in terms of the Exchange Control Regulations, the Scheme Consideration will be credited directly to the accounts nominated for the relevant Shareholder by their duly appointed CSDP or Broker in terms of the provisions of the custody agreement with their CSDP or Broker.

2.2 Emigrants from the Common Monetary Area

In the case of the Scheme Participants being emigrants from the Common Monetary Area and whose Shares form part of their remaining assets, the Scheme Consideration will:

- 2.2.1 in the case where the Scheme Participants are Certificated Shareholders whose Documents of Title are restrictively endorsed in terms of the Exchange Control Regulations, be forwarded to the Authorised Dealer in foreign exchange controlling the Scheme Participant's remaining assets in terms of the Exchange Control Regulations; or
- 2.2.2 in the case of the Scheme Participants being Dematerialised Shareholders, whose registered addresses in the Register are within the Common Monetary Area and have not been restrictively designated in terms of the Exchange Control Regulations, be paid to their Broker or CSDP controlling their remaining portfolios, which shall arrange for same to be credited directly to the emigrant's capital account of the Scheme Participant concerned with their Authorised Dealer in foreign exchange.

2.3 All other non-residents of the Common Monetary Area

- 2.3.1 The Scheme Consideration due to a Certificated Shareholder who is a Foreign Shareholder and who has never resided in the Common Monetary Area, whose registered address is outside the Common Monetary Area and whose Documents of Title have been restrictively endorsed under the Exchange Control Regulations, will be deposited with the Authorised Dealer in foreign exchange in South Africa nominated by such Shareholder. It will be incumbent on the Shareholder concerned to instruct the nominated Authorised Dealer as to the disposal of the amounts concerned, against delivery of the relevant Documents of Title. The Form of Election (*blue*) attached to this Circular make provision for this nomination required. If the information regarding the Authorised Dealer is not given, the Scheme Consideration will be held in trust by for the Shareholders concerned pending receipt of the necessary information or instruction.
- 2.3.2 In the case of the Scheme Participants being Dematerialised Shareholders, the Scheme Consideration will be fully paid up and delivered to their duly appointed Broker or CSDP and credited to such Scheme Participant's accounts nominated for the relevant Scheme Participant by their dully appointed Broker or CSDP in terms of the provisions of the custody agreement with their Broker or CSDP.

EXTRACT OF SECTION 115 OF THE COMPANIES ACT

- (1) Despite section 65, and any provision of a company's Memorandum of Incorporation, or any resolution adopted by its board or holders of its securities, to the contrary, a company may not dispose of, or give effect to an agreement or series of agreements to dispose of, all or the greater part of its assets or undertaking, implement an amalgamation or a merger, or implement a scheme of arrangement, unless:
- (a) the disposal, amalgamation or merger, or scheme of arrangement:
 - (i) has been approved in terms of this section; or
 - (ii) is pursuant to or contemplated in an approved business rescue plan for that company, in terms of Chapter 6; and
 - (b) to the extent that Parts B and C of this Chapter, and the Takeover Regulations, apply to a company that proposes to:
 - (i) dispose of all or the greater part of its assets or undertaking;
 - (ii) amalgamate or merge with another company; or
 - (iii) implement a scheme of arrangement,the Panel has issued a compliance certificate in respect of the transaction, in terms of section 119 (4) (b) or exempted the transaction in terms of section 119 (6).
- (2) A proposed transaction contemplated in subsection (1) must be approved:
- (a) by a special resolution adopted by persons entitled to exercise voting rights on such a matter, at a meeting called for that purpose and at which sufficient persons are present to exercise, in aggregate, at least 25% of all of the voting rights that are entitled to be exercised on that matter, or any higher percentage as may be required by the company's Memorandum of Incorporation, as contemplated in section 64 (2); and
 - (b) by a special resolution, also adopted in the manner required by paragraph (a), by the shareholders of the company's holding company if any, if:
 - (i) the holding company is a company or an external company;
 - (ii) the proposed transaction concerns a disposal of all or the greater part of the assets or undertaking of the subsidiary; and
 - (iii) having regard to the consolidated financial statements of the holding company, the disposal by the subsidiary constitutes a disposal of all or the greater part of the assets or undertaking of the holding company; and
 - (c) by the court, to the extent required in the circumstances and manner contemplated in subsections (3) to (6).
- (3) Despite a resolution having been adopted as contemplated in subsections (2) (a) and (b), a company may not proceed to implement that resolution without the approval of a court if:
- (a) the resolution was opposed by at least 15% of the voting rights that were exercised on that resolution and, within five business days after the vote, any person who voted against the resolution requires the company to seek court approval; or
 - (b) the court, on an application within 10 business days after the vote by any person who voted against the resolution, grants that person leave, in terms of subsection (6), to apply to a court for a review of the transaction in accordance with subsection (7).

- (4) For the purposes of subsections (2) and (3), any voting rights controlled by an acquiring party, a person related to an acquiring party, or a person acting in concert with either of them, must not be included in calculating the percentage of voting rights:
- (a) required to be present, or actually present, in determining whether the applicable quorum requirements are satisfied; or
 - (b) required to be voted in support of a resolution, or actually voted in support of the resolution.
- (4A) In subsection (4), 'act in concert' has the meaning set out in section 117 (1) (b).
- (5) If a resolution requires approval by a court as contemplated in terms of subsection (3) (a), the company must either:
- (a) within 10 business days after the vote, apply to the court for approval, and bear the costs of that application; or
 - (b) treat the resolution as a nullity.
- (6) On an application contemplated in subsection (3) (b), the court may grant leave only if it is satisfied that the applicant:
- (a) is acting in good faith;
 - (b) appears prepared and able to sustain the proceedings; and
 - (c) has alleged facts which, if proved, would support an order in terms of subsection (7).
- (7) On reviewing a resolution that is the subject of an application in terms of subsection (5) (a), or after granting leave in terms of subsection (6), the court may set aside the resolution only if:
- (a) the resolution is manifestly unfair to any class of holders of the company's securities; or
 - (b) the vote was materially tainted by conflict of interest, inadequate disclosure, failure to comply with the Act, the Memorandum of Incorporation or any applicable rules of the company, or other significant and material procedural irregularity.
- (8) The holder of any voting rights in a company is entitled to seek relief in terms of section 164 if that person:
- (a) notified the company in advance of the intention to oppose a special resolution contemplated in this section; and
 - (b) was present at the meeting and voted against that special resolution.
- (9) If a transaction contemplated in this Part has been approved, any person to whom assets are, or an undertaking is, to be transferred, may apply to a court for an order to effect:
- (a) the transfer of the whole or any part of the undertaking, assets and liabilities of a company contemplated in that transaction;
 - (b) the allotment and appropriation of any shares or similar interests to be allotted or appropriated as a consequence of the transaction;
 - (c) the transfer of shares from one person to another;
 - (d) the dissolution, without winding-up, of a company, as contemplated in the transaction;
 - (e) incidental, consequential and supplemental matters that are necessary for the effectiveness and completion of the transaction; or
 - (f) any other relief that may be necessary or appropriate to give effect to, and properly implement, the amalgamation or merger.

EXTRACT OF SECTION 164 OF THE COMPANIES ACT

- (1) This section does not apply in any circumstances relating to a transaction, agreement or offer pursuant to a business rescue plan that was approved by shareholders of a company, in terms of section 152.
- (2) If a company has given notice to shareholders of a meeting to consider adopting a resolution to:
 - (a) amend its Memorandum of Incorporation by altering the preferences, rights, limitations or other terms of any class of its shares in any manner materially adverse to the rights or interests of holders of that class of shares, as contemplated in section 37 (8); or
 - (b) enter into a transaction contemplated in section 112, 113, or 114, that notice must include a statement informing shareholders of their rights under this section.
- (3) At any time before a resolution referred to in subsection (2) is to be voted on, a dissenting shareholder may give the company a written notice objecting to the resolution.
- (4) Within 10 business days after a company has adopted a resolution contemplated in this section, the company must send a notice that the resolution has been adopted to each shareholder who:
 - (a) gave the company a written notice of objection in terms of subsection (3); and
 - (b) has neither:
 - (i) withdrawn that notice; or
 - (ii) voted in support of the resolution.
- (5) A shareholder may demand that the company pay the shareholder the fair value for all of the shares of the company held by that person if:
 - (a) the shareholder:
 - (i) sent the company a notice of objection, subject to subsection (6); and
 - (ii) in the case of an amendment to the company's Memorandum of Incorporation, holds shares of a class that is materially and adversely affected by the amendment;
 - (b) the company has adopted the resolution contemplated in subsection (2); and
 - (c) the shareholder:
 - (i) voted against that resolution; and
 - (ii) has complied with all of the procedural requirements of this section.
- (6) The requirement of subsection (5) (a) (i) does not apply if the company failed to give notice of the meeting, or failed to include in that notice a statement of the shareholders rights under this section.
- (7) A shareholder who satisfies the requirements of subsection (5) may make a demand contemplated in that subsection by delivering a written notice to the company within:
 - (a) 20 business days after receiving a notice under subsection (4); or
 - (b) if the shareholder does not receive a notice under subsection (4), within 20 business days after learning that the resolution has been adopted.
- (8) A demand delivered in terms of subsections (5) to (7) must also be delivered to the Panel, and must state:
 - (a) the shareholder's name and address;
 - (b) the number and class of shares in respect of which the shareholder seeks payment; and
 - (c) a demand for payment of the fair value of those shares.

- (9) A shareholder who has sent a demand in terms of subsections (5) to (8) has no further rights in respect of those shares, other than to be paid their fair value, unless:
- (a) the shareholder withdraws that demand before the company makes an offer under subsection (11), or allows an offer made by the company to lapse, as contemplated in subsection (12) (b);
 - (b) the company fails to make an offer in accordance with subsection (11) and the shareholder withdraws the demand; or
 - (c) the company, by a subsequent special resolution, revokes the adopted resolution that gave rise to the shareholder's rights under this section.
- (10) If any of the events contemplated in subsection (9) occur, all of the shareholder's rights in respect of the shares are reinstated without interruption.
- (11) Within five business days after the later of:
- (a) the day on which the action approved by the resolution is effective;
 - (b) the last day for the receipt of demands in terms of subsection (7) (a); or
 - (c) the day the company received a demand as contemplated in subsection (7) (b), if applicable,
- the company must send to each shareholder who has sent such a demand a written offer to pay an amount considered by the company's directors to be the fair value of the relevant shares, subject to subsection (16), accompanied by a statement showing how that value was determined.
- (12) Every offer made under subsection (11):
- (a) in respect of shares of the same class or series must be on the same terms; and
 - (b) lapses if it has not been accepted within 30 business days after it was made.
- (13) If a shareholder accepts an offer made under subsection (12):
- (a) the shareholder must either in the case of:
 - (i) shares evidenced by certificates, tender the relevant share certificates to the company or the company's transfer agent; or
 - (ii) uncertificated shares, take the steps required in terms of section 53 to direct the transfer of those shares to the company or the company's transfer agent; and
 - (b) the company must pay that shareholder the agreed amount within 10 business days after the shareholder accepted the offer and:
 - (i) tendered the share certificates; or
 - (ii) directed the transfer to the company of uncertificated shares.
- (14) A shareholder who has made a demand in terms of subsections (5) to (8) may apply to a court to determine a fair value in respect of the shares that were the subject of that demand, and an order requiring the company to pay the shareholder the fair value so determined, if the company has:
- (a) failed to make an offer under subsection (11); or
 - (b) made an offer that the shareholder considers to be inadequate, and that offer has not lapsed.
- (15) On an application to the court under subsection (14):
- (a) all dissenting shareholders who have not accepted an offer from the company as at the date of the application must be joined as parties and are bound by the decision of the court;
 - (b) the company must notify each affected dissenting shareholder of the date, place and consequences of the application and of their right to participate in the court proceedings; and
 - (c) court:
 - (i) may determine whether any other person is a dissenting shareholder who should be joined as a party;
 - (ii) must determine a fair value in respect of the shares of all dissenting shareholders, subject to subsection (16);

- (iii) in its discretion may:
 - (aa) appoint one or more appraisers to assist it in determining the fair value in respect of the shares; or
 - (bb) allow a reasonable rate of interest on the amount payable to each dissenting shareholder from the date the action approved by the resolution is effective, until the date of payment;
 - (iv) may make an appropriate order of costs, having regard to any offer made by the company, and the final determination of the fair value by the court; and
 - (v) must make an order requiring:
 - (aa) the dissenting shareholders to either withdraw their respective demands or to comply with subsection (13) (a); and
 - (bb) the company to pay the fair value in respect of their shares to each dissenting shareholder who complies with subsection (13) (a), subject to any conditions the court considers necessary to ensure that the company fulfils its obligations under this section.
- (15A) At any time before the court has made an order contemplated in subsection (15) (c) (v), a dissenting shareholder may accept the offer made by the company in terms of subsection (11), in which case:
- (a) that shareholder must comply with the requirements of subsection (13) (a); and
 - (b) the company must comply with the requirements of subsection (13) (b).
- (16) The fair value in respect of any shares must be determined as at the date on which, and time immediately before, the company adopted the resolution that gave rise to a shareholder's rights under this section.
- (17) If there are reasonable grounds to believe that compliance by a company with subsection (13) (b), or with a court order in terms of subsection (15) (c) (v) (bb), would result in the company being unable to pay its debts as they fall due and payable for the ensuing 12 months:
- (a) the company may apply to a court for an order varying the company's obligations in terms of the relevant subsection; and
 - (b) the court may make an order that:
 - (i) is just and equitable, having regard to the financial circumstances of the company; and
 - (ii) ensures that the person to whom the company owes money in terms of this section is paid at the earliest possible date compatible with the company satisfying its other financial obligations as they fall due and payable.
- (18) If the resolution that gave rise to a shareholder's rights under this section authorised the company to amalgamate or merge with one or more other companies, such that the company whose shares are the subject of a demand in terms of this section has ceased to exist, the obligations of that company under this section are obligations of the successor to that company resulting from the amalgamation or merger.
- (19) For greater certainty, the making of a demand, tendering of shares and payment by a company to a shareholder in terms of this section do not constitute a distribution by the company, or an acquisition of its shares by the company within the meaning of section 48, and therefore are not subject to:
- (a) the provisions of that section; or
 - (b) the application by the company of the solvency and liquidity test set out in section 4.
- (20) Except to the extent:
- (a) expressly provided in this section; or
 - (b) that the Panel rules otherwise in a particular case,
- a payment by a company to a shareholder in terms of this section does not obligate any person to make a comparable offer under section 125 to any other person.

EXTRACT OF THE AUDITED HISTORICAL FINANCIAL INFORMATION OF AEEI FOR THE YEARS ENDED 31 AUGUST 2020, 31 AUGUST 2021, 31 AUGUST 2022 AND THE REVIEWED FINANCIAL INFORMATION FOR 31 AUGUST 2023

BALANCE SHEET	Reviewed Group to 31 August 2023 R'000	Audited Group to 31 August 2022 R'000	Audited Group to 31 August 2021 R'000	Audited Group to 31 August 2020 R'000
ASSETS				
Non-current assets				
Property, plant and equipment	480 036	507 482	520 021	547 932
Goodwill	69 514	119 926	190 438	181 772
Intangible assets	61 105	384 469	428 631	290 787
Investments in associates	72 872	935 601	896 566	866 367
Investment in joint ventures	–	73 903	43 502	18 963
Other financial assets	49 029	260 996	229 579	580 624
Finance lease receivables		3 131	22 854	25 189
Right-of-use asset	24 991	149 599	151 960	84 828
Deferred tax	162 895	161 165	95 042	99 847
Loans receivable	18	176 259	47 142	
Loans to related parties		263 789	236 835	
	920 460	3 036 320	2 862 570	2 696 309
Current assets				
Inventory	63 395	258 136	189 347	187 100
Trade and other receivables	101 964	879 379	518 141	807 807
Other financial assets	5 934	235 109	189 052	50 415
Biological assets	85 915	83 073	95 910	84 436
Current tax receivable	8 557	4 389	16 488	9 503
Finance lease receivables		13 149	13 475	18 135
Cash and cash equivalents	235 737	1 349 896	2 343 886	3 357 973
Loans receivable		145 349	161 167	
Loans to related parties		24 957		
	501 502	2 993 437	3 527 466	4 515 369
Total assets	1 421 962	6 029 757	6 390 036	7 211 679
Assets held for sale IFRS 5	290 000		59 790	
Total assets	1 711 962	6 029 757	6 449 826	7 211 679

BALANCE SHEET CONTINUED

	Reviewed Group to 31 August 2023 R'000	Audited Group to 31 August 2022 R'000	Audited Group to 31 August 2021 R'000	Audited Group to 31 August 2020 R'000
EQUITY AND LIABILITIES				
Equity				
Equity attributable to equity holders of parent				
Share capital and share premium	402 240	402 240	402 240	402 240
Reserves	8 684	(21 257)	(20 647)	(28 909)
Retained earnings	63 285	2 188 533	2 449 424	2 826 314
Equity attributable to equity holders of parents	474 209	2 569 520	2 831 017	3 199 645
Non-controlling interest	734 068	2 307 902	2 582 706	2 969 841
	1 208 277	4 877 422	5 413 723	6 169 486
LIABILITIES				
Non-current liabilities				
Other financial liabilities	696	2 249	48 233	21 270
Deferred tax	218 576	301 208	249 791	181 874
Finance lease liabilities	18 872	136 850	131 583	71 781
Deferred income				751
Contingent consideration liability				5 097
Employee benefit obligation	1 450	5 082	5 476	6 376
Loans from related parties	82 890			
	322 484	445 389	435 083	287 148
Current liabilities				
Trade and other payables	99 705	447 743	358 438	584 527
Other financial liabilities	958	1 060	3 107	5 289
Current tax payable	1 874	32 666	16 212	13 874
Deferred income	687	47 719	33 252	45 974
Provisions	12 057	78 645	63 881	61 617
Finance lease liability	8 596	49 778	37 295	25 683
Contract liabilities	1 189			
Dividend payable	13 987	46 076	40 947	12 696
Bank overdraft	1 755	3 259	7	5 385
Loans from related parties	40 393			
Contingent consideration liability			24 228	
	181 201	706 946	577 367	755 045
Liabilities held for sale			23 653	
Total liabilities	503 685	1 152 335	1 036 103	1 042 193
Liabilities held for sale				
Total equity and liabilities	1 711 962	6 029 757	6 449 826	7 211 679

INCOME STATEMENT

	Reviewed Group to 31 August 2023 12 months R'000	Restated Group to 31 August 2022 12 months R'000	Audited Group to 31 August 2021 12 months R'000	Audited Group to 31 August 2020 12 months R'000
Continuing operations				
Revenue	734 246	578 556	2 339 169	3 427 579
Cost of sales	(410 392)	(378 971)	(1 659 382)	(2 613 080)
Gross profit	323 854	199 585	679 787	814 499
Other income	50 252	28 840	85 486	154 385
Other operating expenses	(324 532)	(270 084)	(1 043 264)	(949 992)
Net impairments, impairment reversals and write-offs	(854 775)	(8 339)	(152 132)	(89 560)
Fair value adjustments	6 042	434	57 277	(108 558)
Income from equity accounted investments	64 972	42 582	52 521	74 819
Investment revenue	13 381	4 987	162 420	247 321
Loss on settlement of liability for dividend <i>in specie</i>	(514 798)			
Finance cost	(5 815)	(7 130)	(22 943)	(31 759)
Loss before taxation	(1 241 419)	(9 125)	(180 848)	111 155
Taxation	22 359	15 465	(84 506)	(92 275)
(Loss)/profit from continuing operations	(1 219 060)	6 340	(265 354)	18 880
Discontinued operations				
Loss from discontinued operations	(509 782)	(368 526)		
Loss for the year	(1 728 842)	(362 186)	(265 354)	18 880
Other comprehensive loss net of tax				
Continuing operations			3 114	(515)
Discontinued operations	(1 731)	(610)		
Total comprehensive loss for the period	(1 730 573)	(362 796)	(262 241)	18 365
Total comprehensive profit/(loss) attributable to:				
Equity holders of the parent from continuing operations	(1 245 690)	14 404	(130 014)	9 471
Equity holders of the parent from discontinued operations	(180 941)	(239 181)		
Non-controlling interest from continuing operations	26 630	(8 064)	(132 227)	8 894
Non-controlling interest from discontinued operations	(330 572)	(129 955)		
	(1 730 573)	(362 796)	(262 241)	18 365

CASH FLOW STATEMENT	Reviewed 31 August 2023 R'000	Restated 31 August 2022 R'000	Audited 31 August 2021 R'000	Audited 31 August 2020 R'000
Cash generated/(utilised) by operations	73 610	(31 318)	(250 642)	103 551
Investment revenue	12 613	5 327	131 492	209 096
Dividend income	3 253	5 167	14 244	10 106
Finance cost	(66)	(5 726)	(14 138)	(31 759)
Tax paid	(15 392)	(3 075)	(78 816)	(91 352)
Net cash flows from operating activities – continuing operations	74 018	(29 625)	(197 860)	199 642
Net cash flows from operating activities – discontinued operations	(985 180)	(177 920)		
Cash flows from investing activities				
Purchase of property, plant and equipment	(37 846)	(30 928)	(51 516)	(89 056)
Sale of property, plant and equipment	903	659	5 633	6 283
Purchase of other intangible assets	(2 621)	(271)	(34 578)	(12 007)
Sale of other intangible assets			1 799	59
Purchase of investments at fair value		(5 851)	(26 000)	
Sale of investments at fair value			150 000	
Acquisition of subsidiary from non-controlling interest	(95 000)		(55 447)	(12 000)
Proceeds from sale of other financial assets	17 780			
Loans advanced to shareholders of subsidiaries		(731)	(4 520)	
Disposal of subsidiaries	(206 557)	(4 292)		
Loans advanced to related parties		(3 697)	(94 150)	
Loans receivable advanced	(3 108)	(16)	(117 388)	(70 747)
Loans receivable repaid	793			
Advances to other financial assets		(150)	(110 518)	(121 015)
Amounts repaid from other financial assets		87	16 378	12 805
Purchase of biological assets				(990)
Funds withdrawn in trust			295 521	
Funds advanced in trust			(273 942)	
Finance lease asset receipts			9 555	6 447
Net cash flows (to)/from investing activities – continuing operations	(325 656)	(45 190)	(289 173)	(280 221)
Net cash flows from investing activities – discontinued operations	307 911	(506 658)		

CASH FLOW STATEMENT	Reviewed 31 August 2023 R'000	Restated 31 August 2022 R'000	Audited 31 August 2021 R'000	Audited 31 August 2020 R'000
Cash flows from financing activities				
Reduction of share capital or buy back of shares				(277)
Repayment of other financial liabilities		(195)	(10 482)	(134 056)
Proceeds from other financial liabilities				37
Proceeds from related parties			10 000	
Purchase of additional shares				(1 750)
Repayment of portion of contingent consideration liability			(5 500)	(39 141)
Proceeds from DTI grant		30 000		
Repayment of lease liabilities	(12 630)	(6 015)	(29 055)	(42 500)
Proceeds from loans with shareholders			2 237	
Repayment of borrowings			(3 446)	(637)
Long service awards payments			(727)	
Dividends paid		(48 284)	(243 550)	(78 578)
Dividends paid to minorities	(35 042)	(12 953)	(241 151)	(106 427)
Net cash flows (to) financing activities – continuing operations	(47 672)	(37 447)	(521 674)	(403 329)
Net cash flows (to) financing activities – discontinued operations	(136 076)	(200 131)		
Total cash movement for the year	(1 112 655)	(996 971)	(1 008 707)	(483 908)
Cash and cash equivalent at the beginning of the year	1 346 637	2 343 879	3 352 588	3 836 496
Effect of foreign exchange		(271)		
Cash and cash equivalents at the end of the year*	233 982	1 346 637	2 343 879	3 352 588



AFRICAN EQUITY EMPOWERMENT INVESTMENTS LIMITED

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

NOTICE OF GENERAL MEETING

THE ATTENTION OF SHAREHOLDERS IS DRAWN TO ANNEXURES 4 AND 5 OF THE CIRCULAR, WHICH SETS OUT THE PROVISIONS OF SECTIONS 115 AND 164 OF THE COMPANIES ACT, RESPECTIVELY.

If you are in any doubt as to what action you should take in respect of the following Resolutions, please consult your CSDP, Broker, banker, attorney, accountant or other professional advisor immediately

The definitions and interpretations commencing on page 11 of the Circular to which this Notice of General Meeting is attached (i) apply, unless the context clearly indicates otherwise, *mutatis mutandis*, to this Notice of General Meeting and to the Resolutions set out herein; and (ii) are hereby incorporated into this Notice of General Meeting by reference thereto.

Notice is hereby given that a General Meeting of AEEI Shareholders will be held at 10:00 on Wednesday, 28 February 2024 to be conducted by and accessible to Shareholders, through electronic communication as envisaged in section 63(2)(a) of the Companies Act, the JSE and clause 21 of the MOI, in order to consider and, if deemed fit, approve with or without modification, the Resolutions set out in this Notice of General Meeting.

The Board has determined that, in terms of section 59(1)(b) of the Companies Act, the record date for the purposes of determining which AEEI Shareholders are entitled to participate in and vote at the General Meeting is Friday, 23 February 2024. Accordingly, the last day to trade AEEI Shares in order to be recorded in the Company's securities register to be entitled to vote at the General Meeting will be Tuesday, 20 February 2024.

Purpose

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

Resolutions

SPECIAL RESOLUTION NUMBER 1 – Approval of the Scheme in terms of sections 114(1)(e) and 115(2) (a) of the Companies Act by AEEI Shareholders

"RESOLVED THAT, the scheme of arrangement in terms of section 114 of the Companies Act (as more fully set out in the Circular and as same may be amended or varied as contemplated in the Circular) proposed by the AEEI Board between AEEI and the AEEI Shareholders (other than the Concert Parties) in terms of which, *inter alia*, if such scheme of arrangement becomes Operative:

- AEEI will acquire, on the terms and subject to the conditions set out in the Circular (as same may be amended or varied as contemplated in the Circular), all the Exit Election Shares; and
- each Scheme Participant who makes or is deemed to have made the Exit Election will be paid the Scheme Consideration in respect of its Exit Election Shares,

be and is hereby approved as a special resolution in terms of sections 114(1)(e) and 115(2)(a) of the Companies Act."

Reason for and effect of Special Resolution Number 1

The reason for and the effect of Special Resolution Number 1 is to obtain AEEI Shareholder approval, as required in terms of sections 114 read with section 115 of the Companies Act, for the Scheme proposed by the AEEI Board between AEEI and the AEEI Shareholders. AEEI Shareholders are referred to the content of the Circular for more information relating to the reason for and effect of Special Resolution Number 1. Please note that all AEEI Shareholders excluding any controlling shareholder, its associates and any Concert Parties as defined will be eligible to vote.

SPECIAL RESOLUTION NUMBER 2 – Revocation of Special Resolution Number 1

“RESOLVED THAT, in terms of section 164(9) of the Companies Act, if Special Resolution Number 1 is adopted, but thereafter the Scheme otherwise lapses or fails, then Special Resolution Number 1 will be deemed to have been revoked, and accordingly, each Dissenting Shareholder which has, pursuant to the adoption of the relevant revoked Special Resolution, sent a demand to AEEI in terms of sections 164(5) to (8) of the Companies Act to be paid the fair value of its AEEI Shares, shall cease to have, and be deemed not to have had, any right, pursuant to the adoption of the relevant revoked Special Resolution Number 1, to be paid under section 164 of the Companies Act.”

Reason for and effect of Special Resolution Number 2

The reason for Special Resolution Number 2 is to revoke the approval of the Scheme in the event that it fails, with the consequence that Dissenting Shareholders' will not have a right to payment under section 164 of the Companies Act pursuant to the approval of the Scheme.

ORDINARY RESOLUTION NUMBER 1 – Approval of the Delisting

“RESOLVED THAT, the Delisting, in accordance with the provisions of the Listings Requirements, details of which are fully disclosed in the Circular to which this notice forms part, be and is hereby approved, subject to the Scheme being implemented.”

The Delisting will occur pursuant to the Delisting Resolution being approved and the Scheme being implemented. In terms of paragraph 1.16 of the Listings Requirements, for ordinary resolution number 1 to be adopted, it must be supported by at least 75% of the voting rights exercised at the general meeting in person or in proxy, excluding any controlling shareholder, its associates and any party acting in concert, and any other party which the JSE deems appropriate, cast in favour of such resolution, unless the JSE otherwise decides, being Sekunjalo and certain Directors, being Willem Raubenheimer, Aziza Amod and Carin-Lee Geuking-Cohausz.

Reason for and effect of Ordinary Resolution Number 1

The reason for Ordinary Resolution Number 1 is to authorise the Delisting of AEEI after the Scheme is implemented for the reasons set out in the Circular.

ORDINARY RESOLUTION NUMBER 2 – Authority granted

“RESOLVED THAT, Valentine Dzvova and/or Jowayne van Wyk in their respective capacities as Chief Executive Officer and Chief Financial Officer of the Company be and is hereby authorised to do all such things, including signing all such documentation, as are necessary or desirable to give effect to the ordinary and special resolutions passed at the General Meeting.”

Reason for and effect of Ordinary Resolution Number 2

The reason for Ordinary Resolution Number 2 is to authorise the AEEI Directors and the Company Secretary to do all such things, including signing of documents and entering into of agreements, to give effect to and implement the Resolutions approved at the General Meeting.

Entitlement to attend and vote at the General Meeting and appointment of proxies:

AEEI Shareholders who wish to participate in the General Meeting should note that in terms of the Companies Act, they are required to provide reasonable satisfactory identification before being entitled to attend or participate in the General Meeting for the purposes of section 63(1) of the Act, and to obtain (or provide the representative or proxy with) details on how to access the General Meeting by means of electronic participation. Shareholders who wish to participate electronically must refer to the section titled “Electronic Participation Form”.

Certificated Shareholders or own-name Dematerialised Shareholders may attend the General Meeting, or alternatively appoint a proxy to attend, and speak in their stead. The Form of Proxy (*yellow*) attached to the Circular, must be completed and returned to the offices of the Transfer Secretaries, JSE Investor Services Proprietary Limited, One Exchange Square, 2 Gwen Lane, Sandown, Sandton, 2196, or via email to: meetfax@jseinvestorservices.co.za to be received by the Transfer Secretaries, for administrative purposes, by 10:00 on Monday, 26 February 2024, or thereafter by emailing such form to the Transfer Secretaries at the aforementioned email address (for the attention of the chairperson of the General Meeting) to be received at any time before the Shareholder or proxy exercises any rights of the AEEI Shareholder at the General Meeting.

Certificated Shareholders or own-name Dematerialised Shareholders must note that they will be able to vote during the General Meeting. Such Participants who wish to have their vote(s) counted prior to the commencement of the General Meeting, must act in accordance with the voting instructions contained in this Notice of the General Meeting, i.e. to the extent applicable:

- (i) complete the Form of Proxy (yellow); or
- (ii) contact their CSDP.

Dematerialised Shareholders other than own-name Dematerialised Shareholders, must contact their CSDP or Broker, as the case may be, and obtain the relevant letter of representation from it if they wish to attend the General Meeting. If AEEI Shareholders are unable to attend the General Meeting but wish to be represented thereat, they must furnish their CSDP or Broker, as the case may be, with their instructions for voting at the General Meeting.

The completion and submission of a Form of Proxy by an AEEI Shareholder, will not preclude such AEEI Shareholder from attending the General Meeting.

Cornell Kannemeyer

Company Secretary

Johannesburg

Wednesday, 31 January 2024

Registered office

10th Floor, Convention Tower
Cnr Heerengracht & Walter Sisulu
Foreshore
Cape Town, 8001

Transfer Secretaries

JSE Investor Services Proprietary Limited
One Exchange Lane
2 Gwen Lane
Sandown, Sandton, 2196



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(Incorporated in the Republic of South Africa)
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ELECTRONIC PARTICIPATION FORM

ELECTRONIC PARTICIPATION IN THE GENERAL MEETING

1. Shareholders or their proxies who wish to participate in the General Meeting via electronic communication ("**Participants**"), must apply to the Company's Transfer Secretaries to do so by delivering the form below ("**Application**" or "**Application Form**") to the offices of the Transfer Secretaries, JSE Investor Services Proprietary Limited, One Exchange Square, 2 Gwen Lane, Sandown, Sandton, 2196, or via email to: meetfax@jseinvestorservices.co.za prior to the General Meeting, on Monday, 26 February 2024 to arrange for the Shareholder (or representative or proxy) to provide reasonable satisfactory identification to the Transfer Secretaries for the purposes of section 63(1) of the Companies Act, and to provide the Shareholder (or representative or proxy) with details on how to access the General Meeting by means of electronic participation.

The Application may also be posted, at the risk of the Participant, to JSE Investor Services Proprietary Limited, PO Box 4844, Johannesburg, 2000, so as to be received by the Transfer Secretaries by no later than the date set out above.

2. General Meeting Participants must note that they will be able to vote during the General Meeting. Such Participants who wish to have their vote(s) counted prior to the commencement of the General Meeting, must act in accordance with the voting instructions contained in the Notice of the General Meeting, i.e. to the extent applicable:
 - complete the Form of Proxy (*yellow*); or
 - contact their CSDP.
3. Important notice:
 - i) Each Participant will be contacted by the Transfer Secretaries by no later than Monday, 26 February 2024 via email and/or SMS with the details allowing them to dial in.
 - ii) The cost of the Participant's electronic communication will be for his/her own expense and will be billed separately by his/her own service provider.
 - iii) The cut-off time to participate in the meeting will be 10:00 on Wednesday, 28 February 2024. No late dial-in will be accommodated.

APPLICATION FORM

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

CONDITIONS FOR PARTICIPATION AT THE GENERAL MEETING VIA ELECTRONIC COMMUNICATION

The cost of dialing in using an electronic communication line to participate in the General Meeting is for the expense of the Participant and will be billed separately by the Participant's own service provider.

The Participant acknowledges that the electronic communications 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 electronic communications or any defect in it or from total or partial failure of the electronic communications and connections linking the electronic communications to the General Meeting.

General Meeting Participants must note that they will be able to vote during the General Meeting. Such Participants who wish to have their vote(s) counted prior to the commencement of the General Meeting, must act in accordance with the voting instructions contained in the Notice of the General Meeting, i.e. to the extent applicable:

- complete the Form of Proxy (*yellow*); or
- contact their CSDP.

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



AFRICAN EQUITY EMPOWERMENT INVESTMENTS LIMITED

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

FORM OF PROXY

The definitions and interpretations commencing on page 11 of the Circular to which this Form of Proxy is attached, apply *mutatis mutandis* to this Form of Proxy unless the context clearly requires otherwise.

For use only by Certificated Shareholders or "own-name" Dematerialised Shareholders at the General Meeting to be held at 10:00 on Wednesday, 28 February 2024 to be conducted by and accessible to Shareholders, through electronic communication as envisaged in section 63(2)(a) of the Companies Act, the JSE and clause 21 of the MOI.

Dematerialised Shareholders holding Shares other than with "own-name" registration, who wish to attend the General Meeting must inform their CSDP or Broker of their intention to attend the General Meeting and request their CSDP or Broker to issue them with the relevant letter of representation to attend and participate in the General Meeting. If they do not wish to attend the General Meeting, they must provide their CSDP or Broker with their voting instructions in terms of the relevant custody agreement entered into between them and the CSDP or broker.

Dematerialised Shareholders, other than "own-name" Dematerialised Shareholders, must not complete this Form of Proxy.

Full name: I/We _____ (BLOCK LETTERS)

of _____ (address):

Telephone: (Work) _____ Telephone: (Home) _____

Email address: _____ Cell number: _____

being the holder(s) of _____ Shares, hereby appoint:

1. _____ or failing him/her,

2. _____ or failing him/her,

3. the chairperson of the General Meeting,

as my/our proxy to attend, speak and vote for me/us on my/our behalf at the General Meeting (or any postponement or adjournment thereof) convened for purpose of considering and, if deemed fit, passing, with or without modification, the resolutions to be proposed thereat and at each postponement or adjournment thereof, and to vote for and/or against such resolutions, and/or to abstain from voting for and/or against the resolutions, in respect of the Shares registered in my/our name in accordance with the following instructions and otherwise in accordance with the Companies Act, the MOI and the notes attached hereto:

Resolution	Number of Shares		
	For	Against	Abstain
Special Resolution Number 1 Approval of the Scheme in terms of sections 114 and 115 of the Companies Act by AEEI Shareholders			
Special Resolution Number 2 Revocation of Special Resolution Number 1			
Ordinary Resolution Number 1 Delisting Resolution			
Ordinary Resolution Number 2 Authority granted			

Please indicate instructions to proxy in the space provided above by the insertion therein of the relevant number of votes exercisable.

One vote per Share held by AEEI Shareholders. AEEI Shareholders must insert the relevant number of votes they wish to vote in the appropriate box provided or "X" should they wish to vote all Shares held by them. If no instruction is provided, the proxy (if not the chairperson of the General Meeting) shall be entitled to vote or abstain from voting as he/she deems fit, provided that if the proxy is the chairperson of the General Meeting, he/she shall be deemed to be instructed to vote in favour of the resolutions set out above, in respect of all shares held by the AEEI Shareholder.

Signed at _____ on _____ 2024

Signature _____

Assisted by _____ (where applicable)

Full name _____ Capacity _____

Signature _____

Please read the notes on the reverse side hereof.

Summary of the rights contained in section 58 of the Companies Act:

Although the following is a summary of section 58 of the Companies Act, Shareholders are reminded that the General Meeting will be conducted entirely by electronic facility/communication and as such, there will be no physical meeting).

In terms of section 58 of the Companies Act:

- a shareholder may, at any time and in accordance with the provisions of section 58 of the Companies Act, appoint any individual (including an individual who is not a shareholder) as a proxy to participate in, and speak and vote at, a shareholders meeting on behalf of such shareholder, a proxy may delegate her or his authority to act on behalf of a shareholder to another person, subject to any restriction set out in the instrument appointing such proxy;
- irrespective of the form of instrument used to appoint a proxy, the appointment of a proxy is suspended at any time and to the extent that the relevant shareholder chooses to act directly and in person in the exercise of any of such shareholder's rights as a shareholder;
- irrespective of the form of instrument used to appoint a proxy, any appointment by a shareholder of a proxy is revocable, unless the form of instrument used to appoint such proxy states otherwise;
- if an appointment of a proxy is revocable, a shareholder may revoke the proxy appointment by: (i) cancelling it in writing, or making a later inconsistent appointment of a proxy and (ii) delivering a copy of the revocation instrument to the proxy and to the company; and
- a proxy appointed by a shareholder is entitled to exercise, or abstain from exercising, any voting right of such shareholder without direction, except to the extent that the relevant company's memorandum of incorporation, or the instrument appointing the proxy, provides otherwise (see note 8).

Notes to the Form of Proxy:

1. The Form of Proxy must only be used by Certificated Shareholders or Shareholders who hold Dematerialised Shares in their own name.
2. All other beneficial owners who have Dematerialised their Shares through a CSDP or broker and wish to attend the General Meeting 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.
3. A Shareholder entitled to attend the General Meeting, and to vote, may insert the name of a proxy or the names of two alternative proxies of the Shareholder's choice in the spaces provided with or without deleting "the chairperson of the General Meeting". The person whose name appears first on this Form of Proxy and who is present at the General Meeting will be entitled to act as proxy to the exclusion of such proxy(ies) 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. A Shareholder's instructions to the proxy must be indicated by the insertion of the relevant number of votes exercisable by that Shareholder in the appropriate space provided. If an "X" has been inserted in one of the blocks to a particular resolution, it will indicate the voting of all the Shares held by the Shareholder concerned. Failure to comply with this will be deemed to authorise the proxy to vote or to abstain from voting at the General Meeting as he deems fit in respect of all the Shareholder's votes exercisable thereat. A Shareholder or the proxy is not obliged to use all the votes exercisable by the Shareholder or by the proxy, but the total of the votes cast and in respect of which abstention is recorded may not exceed the total of the votes exercisable by the Shareholder or the proxy.
5. This Form of Proxy shall be valid at any resumption of an adjourned or postponed meeting to which it relates although this Form of Proxy shall not be used at the resumption of an adjourned or postponed meeting if it could not have been used at the General Meeting from which it was adjourned or postponed for any reason other than it was not lodged timeously for the meeting from which the adjournment took place.

6. This Form of Proxy shall in addition to the authority conferred by the Companies Act except insofar as it provides otherwise, be deemed to confer the power generally to act at the General Meeting in question, subject to any specific direction contained in this Form of Proxy as to the manner of voting.
7. Where this Form of Proxy is signed under power of attorney, such power of attorney must accompany this Form of Proxy, unless it has been registered by AEEI or waived by the chairperson of the General Meeting.
8. A vote given in terms of an instrument of proxy shall be valid in relation to the General Meeting notwithstanding the death, insanity or other legal disability of the person granting it, or the revocation of the proxy, or the transfer of the Shares in respect of which the proxy is given, unless notice as to any of the aforementioned matters shall have been received by the Company's Transfer Secretaries, JSE Investor Services, not less than 24 hours before the commencement of the General Meeting (excluding Saturdays, Sundays and South African public holidays).
9. If a Shareholder does not 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 General Meeting be proposed, the proxy shall be entitled to vote as he/she thinks fit.
10. The chairperson of the General Meeting may accept or reject any Form of Proxy which is completed and/or received other than in accordance with these notes and instructions.
11. The completion and lodging of this Form of Proxy will not preclude the relevant Shareholder from attending the 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.
12. 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 General Meeting.
13. A minor or any other person under legal incapacity must be assisted by his parent or guardian, as applicable, unless the relevant documents establishing his capacity are produced or have been registered by the Company.
14. 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).
15. Forms of Proxy should be provided to the Transfer Secretaries:

Email to:

meetfax@jseinvestorservices.co.za

Hand deliveries to:

JSE Investor Services Proprietary Limited
One Exchange Square
2 Gwen Lane
Sandown, Sandton, 2196

Postal deliveries to:

JSE Investor Services Proprietary Limited
PO Box 4884
Johannesburg
2000

to be received by the Transfer Secretaries, for administrative purposes, by no later than 10:00 on Monday, 26 February 2024, or thereafter by emailing such form to the Transfer Secretaries at the aforementioned email address (for the attention of the chairperson of the General Meeting) to be received at any time before the appointed proxy exercises any of the Shareholder's votes at the General Meeting.

16. A deletion of any printed matter and the completion of any blank space need not be signed or initialled. Any alteration or correction must be signed and not merely initialled.



AFRICAN EQUITY EMPOWERMENT INVESTMENTS LIMITED

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

FORM OF ELECTION (FOR USE BY CERTIFICATED AEEI SHAREHOLDERS IN RESPECT OF THE SCHEME ONLY)

ELECTRONIC PARTICIPATION IN THE GENERAL MEETING

The definitions and interpretations commencing on page 11 of the Circular to which this Form of Election is attached apply, unless the context clearly indicates otherwise, to this Form of Election.

If you do not wish to receive the Default Position as described in paragraph 3 of 'the action required by AEEI Shareholders in relation to the Scheme' section, of the Circular to elect to voluntarily tender all of your Shares to AEEI, you must, complete this form of election.

By completing this Form, you confirm that you have full legal capacity to contract and, being in possession of a copy of the Circular or being aware of the contents thereof.

By completing the table below, you irrevocably elect not to receive the Default Position as described in paragraph 3 of the Circular to elect to voluntarily tender your all of Shares to AEEI.

	Voluntarily tender your Shares to AEEI*	Remain invested in AEEI*
<p>Election: You are entitled to elect whether to voluntarily tender all or some of your Shares to AEEI or remain invested in AEEI following the Delisting. If you do not make an election it shall be deemed that you have elected to voluntarily tender all of your Shares to AEEI.</p> <p>(insert the number of AEEI shares you wish to apply to each option)</p>		

** must add up to the total number of Shares held by the Shareholder, in the event that the Shares do not aggregate to the number of Shares held by the Shareholder, AEEI shall proportionately decrease all the Shares to ensure the total is equal to the total number of Shares held by the Shareholder.*

Notes:

1. Elections made as part of this Form are irrevocable and may not be withdrawn once submitted.
2. Scheme Participants should consult their professional advisors in case of doubt as to the correct completion of this Form.
3. Persons who have acquired Shares after the date of the issue of the Circular can obtain copies of the Form of Election and the Circular from the Transfer Secretaries.
4. If the instructions set out in this form and the Circular are not fully complied with, AEEI reserves the right to accept such applications in whole or in part, at its discretion.
5. The Form of Election must only be used by Certificated Shareholders or Dematerialised Shareholders with "own-name" registration.
6. Shareholders are reminded that the onus is on them to communicate with their CSDP or Broker.
7. Forms of Election must be lodged at or posted to the Transfer Secretaries, JSE Investor Services Proprietary Limited, One Exchange Square, 2 Gwen Lane, Sandown, Sandton, 2196, (PO Box 4844, Johannesburg, 2000) or emailed to the Transfer Secretaries at meetfax@jseinvestorservices.co.za and to the Company at cornellk@aeei.co.za by Scheme Implementation Date.
8. Any alteration or correction made to this Form of Election, other than the deletion of alternatives, must be initialled by the signatory/ies.

Signed at _____ on _____
Signature _____
Assisted by (if applicable) _____
Address _____
Telephone number _____
Cell phone number _____



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(Incorporated in the Republic of South Africa)
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FORM OF SURRENDER AND TRANSFER (FOR USE BY CERTIFICATED AEEI SHAREHOLDERS IN RESPECT OF THE SCHEME ONLY)

For use by Certificated Shareholders only

The definitions and interpretations commencing on page 11 of the Circular to which this Form of Surrender and Transfer (*white*) is attached, apply, *mutatis mutandis*, to this Form.

Important:

1. This Form of Surrender and Transfer is only for use in respect of the Scheme proposed by the AEEI Board between AEEI and its Shareholders in accordance with the requirements of section 114 of the Companies Act.
2. Full details of the Scheme are contained in the Circular to Shareholders, dated Wednesday, 31 January 2024, to which this Form of Surrender and Transfer is attached.
3. Scheme Participants will receive the Scheme Consideration.
4. A Dissenting Shareholder who subsequently becomes a Scheme Participant after the Scheme Consideration Record Date shall receive the Scheme Consideration.
5. This Form of Surrender and Transfer is attached for the convenience of Certificated Shareholders who may wish to surrender their Documents of Title prior to the date of the General Meeting.

HOLDERS OF DEMATERIALISED SHARES MUST NOT COMPLETE THIS FORM

Instructions:

1. **Part A** must be completed by all Scheme Participants.
2. **Part B** must be completed by Scheme Participants in respect of all or some of their Shares and who are emigrants from, or non-residents of, the Common Monetary Area.
3. If this Form of Surrender and Transfer is returned with the relevant Documents of Title to Shares, it will be treated as a conditional surrender which is made subject to the Scheme becoming operative. In the event of the Scheme not becoming operative for any reason whatsoever, the Transfer Secretaries will, by not later than five Business Days after the date upon which it becomes known that the Scheme will not be operative, return the Documents of Title to the Scheme Participants concerned, by registered post, at the risk of such Scheme Participants.
4. The Scheme Consideration will not be sent to Certificated Scheme Participants unless and until Documents of Title in respect of the relevant Scheme Shares have been surrendered to the Transfer Secretaries.
5. If you are in any doubt as to how to complete this Form of Surrender and Transfer, please consult your CSDP, Broker, banker, attorney, accountant or other professional advisor immediately.

A separate Form of Surrender and Transfer (*white*) is required to be completed by each Certificated Shareholder.

To:

The Transfer Secretaries

Hand deliveries to:

JSE Investor Services Proprietary Limited
One Exchange Square, 2 Gwen Lane,
Sandown, Sandton, 2196
Email: meetfax@jseinvestorservices.co.za

Postal deliveries to:

(PO Box 4844, Johannesburg, 2000)

PART A: TO BE COMPLETED BY ALL SCHEME PARTICIPANTS

All Scheme Participants must please complete Part A and deliver this Form of Surrender and Transfer (*white*) together with the Documents of Title in respect of their Shares to the Transfer Secretaries at any of the above addresses by no later than 10:00 on the Scheme Consideration Record Date.

I/We hereby surrender the enclosed Documents of Title in respect of the Certificated Shares held by me:

Surname or Name of corporate body
First names (in full)
Title
Identity number or registration number
Address to which Documents of Title should be sent (if different from the address recorded in the Register) should the Scheme not become operative.
Country

Contact information

Telephone number (home):
Telephone number (office):
Cell phone number:
Email:
Facsimile number:

Documents of Title surrendered:

Share certificate number(s) and/or details of other Documents of Title	Number of Shares represented by each Share certificate and/ or other Documents of Title

Shareholder's banking details:

Name of account holder:
Account number:
Bank name:
Branch code:
Account type:
Signed at _____ on _____
Duly authorised
Signature name and capacity of signatory
Signatory assisted by (if applicable)

PART B: EMIGRANTS FROM OR NON-RESIDENTS OF THE COMMON MONETARY AREA

1. To be completed only by Certificated AEEI Shareholders who are emigrants from the Common Monetary Area

The Scheme Consideration will be forwarded to the authorised dealer nominated below for its control and credited to the emigrant's blocked account. Accordingly, a non-resident who is an emigrant from South Africa must provide the following information:

Name of authorised dealer in South Africa:

Account number:

Address:

Signature of authorised dealer:

2. To be completed only by Certificated AEEI Shareholders who and are non-residents of the Common Monetary Area and who wish to provide a substitute address

The Scheme Consideration will be posted to the registered address of the non-resident concerned, unless written instructions to the contrary are received and a substitute address provided below:

Substitute address:

3. If Part B is not completed or incorrectly filled, the Scheme Consideration payable to emigrants and non-resident Shareholders will be held in trust by AEEI (or their respective agents, as appointed by each of them for the benefit of the relevant Shareholder for a maximum period of three years from the Scheme Implementation Date, after which period such funds shall be made over to the guardians fund of the High Court. For the avoidance of doubt, no interest will accrue on any such funds held by AEEI.

