
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR ATTENTION

The definitions and interpretations commencing on page 5 of this Circular apply throughout this Circular including this cover page.

Action required:

- This Circular is important and should be read with particular attention to the section titled “Action required by Shareholders”, which commences on page 3 of this Circular.
- If you are in any doubt as to the action you should take, please consult your Broker, CSDP, banker, accountant, attorney or other professional advisor immediately.
- If you have disposed of all or some of your EOH Ordinary Shares, please forward this Circular to the purchaser of such EOH Ordinary Shares or to the Broker, CSDP, banker or other agent through whom the disposal was effected.

The Directors, collectively and individually, accept full responsibility for the accuracy of the information given herein and certify that, to the best of their knowledge and belief, there are no facts that have been omitted which would make any statement herein false or misleading, and that they have made all reasonable enquiries to ascertain such facts and that this Circular contains all information required by law and the Listings Requirements.



EOH HOLDINGS LIMITED

(Incorporated in the Republic of South Africa)

(Registration number 1998/014669/06)

JSE Share code: EOH

ISIN: ZAE000071072

(“EOH” or the “Company”)

CIRCULAR TO EOH SHAREHOLDERS

regarding:

- a proposed long-term strategic partnership and BEE transaction with Lebashe, comprising:
 - a R1 billion equity capital raise pursuant to:
 - the Initial Subscription, being a specific issue of EOH Ordinary Shares to Lebashe, for an aggregate cash subscription price of R250 000 000, to be held by Lebashe for the duration of the Transaction Term; and
 - the Subscription Undertaking, being an undertaking by Lebashe to subscribe for EOH Ordinary Shares, for an aggregate cash subscription price of R750 000 000; and
 - an increase in EOH’s BEE ownership credentials, by way of the A Share Issue, through the creation of a new class of EOH A Shares and the issue of 40 000 000 EOH A Shares to Lebashe, for a nominal subscription price, to be held by Lebashe for the duration of the Transaction Term;
- a future specific issue of EOH Ordinary Shares to Lebashe, pursuant to a capitalisation issue in respect of the EOH A Shares, at the end of the Transaction Term; and
- the adoption of a new EOH MOI in substitution for the existing EOH MOI, to, *inter alia*, cater for the creation of the EOH A Shares,

and incorporating:

- the Independent Expert Report;
- a notice convening the General Meeting of EOH Shareholders; and
- a Form of Proxy in respect of the General Meeting (for use by Certificated Shareholders and Dematerialised Shareholders with “own name” registration only).

This Circular is available in English only. Copies of this Circular are available from the registered office of the Company at the address set out in the “Corporate information and advisors” section of this Circular, on the inside front cover, from Monday, 20 August 2018 to Tuesday, 18 September 2018, both days inclusive. This Circular is also available on the Company’s website, www.eoh.co.za.

Corporate Advisor and
Transaction Sponsor

Attorneys

Independent Auditors and
Reporting Accountants

Independent Expert

ONE CAPITAL
Capitalising Expertise®

CDH
CLIFFE DEKKER HOFMEYR

M A Z A R S

BDO

Date of issue: Monday, 20 August 2018

CORPORATE INFORMATION AND ADVISORS

Company Secretary and Registered Office

Adri Els
EOH Holdings Limited
EOH Business Park
Ground Floor, Block D
1 Osborne Lane
Gillooly's View
Bedfordview, 2007
South Africa
(PO Box 59, Bruma, 2026)

Place of incorporation: South Africa

Date of incorporation: 29 July 1998

Corporate Advisor

One Capital Advisory Proprietary Limited
(Registration number 2009/021943/07)
17 Fricker Road
Illovo, 2196
South Africa
(PO Box 784573, Sandton, 2146)

Attorneys

Cliffe Dekker Hofmeyr Inc.
(Registration number 2008/018923/21)
1 Protea Place
Sandown
Sandton, 2196
South Africa
(Private Bag X7, Benmore, 2010)

Independent Expert

BDO Corporate Finance Proprietary Limited
(Registration number 1983/002903/07)
22 Wellington Road
Parktown, 2193
(Private Bag X60500, Houghton, 2041)

Transfer Secretaries

Computershare Investor Services Proprietary Limited
(Registration number 2004/003647/07)
Rosebank Towers
15 Biermann Avenue
Rosebank, 2196
South Africa
(PO Box 61051, Marshalltown, 2107)

Transaction Sponsor

One Capital Sponsor Services Proprietary Limited
(Registration number 2000/023249/07)
17 Fricker Road
Illovo, 2196
South Africa
(PO Box 784573, Sandton, 2146)

Independent Auditors and Reporting Accountants

Mazars (Gauteng) Inc.
(Registration number 2000/026635/21)
Mazars House, 54 Glenhove Road
Melrose Estate
Johannesburg, 2196
South Africa
(PO Box 6697, Johannesburg, 2000)

FORWARD-LOOKING STATEMENTS

The definitions and interpretations commencing on page 5 of this Circular apply to this section.

Certain of the statements included in this Circular constitute forward-looking statements that involve risks and uncertainties. Forward-looking statements may generally be identified by the use of terminology such as “*may*”, “*might*”, “*will*”, “*will likely result*”, “*will continue*”, “*expect*”, “*are expected to*”, “*intend*”, “*plan*”, “*seek*”, “*project*”, “*projection*”, “*potential*”, “*could*”, “*should*”, “*estimate*”, “*anticipate*”, “*believe*”, “*outlook*” or similar phrases. Without limitation, all statements regarding the EOH Group’s future financial position or business strategy or the plans and / or objectives of management for the future operation of the EOH Group are forward-looking statements. The actual future performance of the EOH Group could differ materially from these forward-looking statements. Matters not yet known to the Board or not currently considered material by them could cause the actual results to differ materially from these expectations.

Reliance should not be placed on these forward-looking statements. All forward-looking statements are qualified in their entirety by these cautionary statements. Moreover, unless the Board is required by law to update these statements after the date of this Circular, it will not necessarily do so.

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ACTION REQUIRED BY SHAREHOLDERS

The definitions and interpretations commencing on page 5 of this Circular apply to this section.

This Circular is important and requires your attention. Please take careful note of the following provisions regarding the actions required by Shareholders.

If you are in any doubt as to what action you should take, you should consult your Broker, CSDP, banker, attorney, accountant or other professional advisor immediately.

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

VOTING, ATTENDANCE AND REPRESENTATION AT THE GENERAL MEETING

The General Meeting will be held at the registered office of the Company, at EOH Business Park, Ground Floor, Block D, 1 Osborne Lane, Gillooly's View, Bedfordview on Tuesday, 18 September 2018 at 14h00 to consider and, if deemed fit, pass the Resolutions set out in the Notice of General Meeting, with or without modification.

1. If you are a Dematerialised Shareholder without "own name" registration

1.1 Voting at the General Meeting

Your Broker or CSDP should contact you to ascertain how you wish to cast your votes at the General Meeting (or any adjournment or postponement thereof) and will thereafter cast your vote in accordance with your instructions.

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 Broker or CSDP, it is advisable that you contact your Broker or CSDP and furnish it with your voting instructions.

If your Broker or CSDP does not obtain voting instructions from you, it will be obliged to vote in accordance with the provisions of the custody agreement concluded between you and your Broker or CSDP.

You must **not** complete the attached Form of Proxy.

1.2 Attendance and representation at the General Meeting

In accordance with the mandate between you and your Broker or CSDP, you must advise your Broker or CSDP if you wish to:

- attend, participate in and vote at the General Meeting in person; and / or
- appoint a proxy (including the chairman of the General Meeting) to represent you at the General Meeting.

Your Broker or CSDP will procure that the necessary letter of representation is issued for you to attend, participate in and vote in person or for a proxy to represent you at the General Meeting.

You will not be permitted to attend, participate in or vote at the General Meeting, nor send a proxy to represent you at the General Meeting, without the necessary letter of representation being issued to you.

2. If you are a Certificated Shareholder or if you are a Dematerialised Shareholder with "own name" registration

2.1 Voting, attendance and representation at the General Meeting

You may attend, participate in and vote at the General Meeting in person.

Alternatively, you may appoint a proxy (including the chairman of the General Meeting) to represent you at the General Meeting by completing the attached Form of Proxy in accordance with the instructions contained therein and delivering it to the Transfer Secretaries, as follows:

Hand deliveries to: Computershare Investor Services Proprietary Limited
Rosebank Towers, 15 Biermann Avenue
Rosebank, Johannesburg, 2196

Postal deliveries to: Computershare Investor Services Proprietary Limited
PO Box 61051
Marshalltown, 2107

Email to: Computershare Investor Services Proprietary Limited
proxy@computershare.co.za

so as to be received by no later than 14h00 on Friday, 14 September 2018, being at least 48 hours before the commencement of the General Meeting.

Should the Form of Proxy not be delivered to the Transfer Secretaries by this date and time, you will be entitled to furnish your Form of Proxy to the chairman of the General Meeting before the appointed proxy exercises any of your shareholder rights at the General Meeting.

If you hold Certificated Shares and wish to Dematerialise such EOH Ordinary Shares, please contact the Transfer Secretaries or your Broker or CSDP.

GENERAL

1. Electronic participation in the General Meeting

Shareholders or their proxies may participate in (but not vote at) the General Meeting by way of telephone conference call. If they wish to do so they:

- must contact EOH's company secretary (by email at the address adri.els@eoh.co.za) by no later than 14h00 on Friday, 14 September 2018 in order to obtain dial-in details for the conference call;
- will be required to provide reasonably satisfactory identification; and
- will be billed separately by their own telephone service providers for their telephone call to participate in the General Meeting.

Shareholders or their proxies will not be able to vote telephonically at the General Meeting and will still need to appoint a proxy or representative to attend the General Meeting in person and to vote on their behalf at the General Meeting (refer to the section entitled "*Voting, Attendance and Representation at the General Meeting*" commencing on page 3 of this Circular).

2. DEMATERIALISATION OR REMATERIALISATION OF EOH ORDINARY SHARES

If you wish to Dematerialise your EOH Ordinary Shares, please contact the Transfer Secretaries or your Broker or CSDP. No Dematerialisation or rematerialisation of EOH Ordinary Shares may take place from the Business Day following the General Meeting LDT up to and including the General Meeting Record Date.

DEFINITIONS AND INTERPRETATIONS

In this Circular, unless otherwise stated or the context so requires, the words and expressions in the first column have the meanings stated opposite them in the second column, words in the singular shall include the plural and *vice versa*, words denoting one gender include the other and expressions denoting natural persons include juristic persons and associations of persons and *vice versa*:

“30 Day VWAP”	as at any day, the volume weighted average traded price at which the EOH Ordinary Shares traded on the Exchange for the 30 trading days immediately prior to that day;
“60 Day VWAP”	as at any day, the volume weighted average traded price at which the EOH Ordinary Shares traded on the Exchange for the 60 trading days immediately prior to that day;
“A Share Formula”	the formula applied to determine the number of Capitalisation Shares to be issued to BEE SPV 2 pursuant to the Capitalisation Issue, as detailed in paragraph 5.5.2.2 of this Circular;
“A Share Issue”	the issue of the Subscription EOH A Shares to BEE SPV 2 at a nominal aggregate subscription price of R1.00, pursuant to the Subscription Agreement, as more fully described in paragraph 5.5.1 of this Circular;
“Announcements”	the announcements published on SENS by EOH on Monday, 12 March 2018 and Monday, 30 July 2018, setting out the details of the BEE Transaction and the Capitalisation Issue;
“Associate”	has the meaning ascribed to “ <i>associate</i> ” in the International Accounting Standard 28 (IAS 28);
“BBBEE Act”	the Broad-Based Black Economic Empowerment Act, No. 53 of 2003, as amended from time to time;
“BEE”	black economic empowerment as contemplated in the BBBEE Act and the BEE Codes;
“BEE Codes”	the Codes of Good Practice on black economic empowerment contemplated in section 9 of the BBBEE Act, as gazetted from time to time;
“BEE Parties”	Lebashe Holdco, Lebashe Financial Services, BEE SPV 1 and BEE SPV 2 (for so long as it is a party to the Relationship Agreement) or any one or more of them as the context may require;
“BEE SPV 1”	Lebashe E Ords (RF) Proprietary Limited, registration number 2017/541013/07, a limited liability private company incorporated in accordance with the laws of South Africa, ring-fenced, with no prior trading history, and a wholly owned Subsidiary of BEE SPV 2, established for, <i>inter alia</i> , the purpose of subscribing for and holding the Subscription EOH Ordinary Shares;
“BEE SPV 2”	Lebashe E A Shares (RF) Proprietary Limited, registration number 2017/541001/07, a limited liability private company incorporated in accordance with the laws of South Africa, ring-fenced, with no prior trading history, and a wholly owned Subsidiary of Lebashe Financial Services, established for, <i>inter alia</i> , the purpose of subscribing for and holding the Subscription EOH A Shares;
“BEE SPV 2 Guarantee”	the written agreement headed “ <i>BEE SPV 2 Guarantee</i> ” entered into between EOH and BEE SPV 2 on 27 July 2018, in terms of which BEE SPV 2 will guarantee the compliance by BEE SPV 1, Lebashe Holdco and Lebashe Financial Services with their respective obligations in terms of the Transaction Documents (other than the Subscription Undertaking Agreement);
“BEE SPV 2 Pledge and Cession Agreement”	the written agreement headed “ <i>BEE SPV 2 Pledge and Cession Agreement</i> ” entered into between EOH and BEE SPV 2 on 27 July 2018, in terms of which BEE SPV 2 pledges and cedes <i>in securitatem debiti</i> all of the EOH A Shares held by it, from time to time, to and in favour of EOH as security for its obligations in terms of the Transaction Documents (other than the Subscription Undertaking Agreement);
“BEE Transaction”	the BEE transaction contemplated in this Circular, comprising, <i>inter alia</i> , the Initial Subscription, the A Share Issue and the Subscription Undertaking, further details of which are contained in paragraph 5 of this Circular;
“Board” or “Directors”	the directors of EOH, as at the Last Practicable Date, the names of whom are set out on page 11 of this Circular, or any one or each of them, as the context may require;
“Broker”	a “ <i>stockbroker</i> ” as defined in the Financial Markets Act;
“Business Day”	any day other than a Saturday, Sunday or official public holiday in South Africa;
“Capitalisation Issue”	the issue of the Capitalisation Shares to BEE SPV 2 as capitalisation shares in respect of the EOH A Shares held by BEE SPV 2, on the Maturity Date, as more fully described in paragraph 5.5.2 of this Circular;
“Capitalisation Shares”	a number of EOH Ordinary Shares to be issued by EOH to BEE SPV 2 on the Maturity Date, pursuant to the Capitalisation Issue, which number of EOH Ordinary Shares will be determined in accordance with the A Share Formula;
“Certificated Shareholders”	holders of Certificated Shares;
“Certificated Shares”	EOH Ordinary Shares that have not been Dematerialised and which are represented by share certificates;

“CIPC”	the Companies and Intellectual Property Commission established in terms of section 185 of the Companies Act;
“Circular”	this circular to Shareholders, dated Monday, 20 August 2018, and all annexures hereto and incorporating the Notice of General Meeting and the Form of Proxy;
“Companies Act”	the Companies Act, No. 71 of 2008, as amended from time to time;
“Conditions Precedent”	the conditions precedent to the implementation of, <i>inter alia</i> , the BEE Transaction, as set out in paragraph 5.9 of this Circular;
“CSDP”	a “ <i>participant</i> ”, as defined in section 1 of the Financial Markets Act, being a person authorised by a licenced central securities depository to perform custody and administration services or settlement services or both in terms of the central depository rules;
“Deemed Offer”	upon the occurrence of a Trigger Event, a deemed offer by Lebashe Financial Services of all the shares held by it in BEE SPV 2 to EOH or EOH’s nominee, for sale at a nominal aggregate purchase consideration of R1.00 on the day immediately preceding the day on which the Trigger Event occurred;
“Dematerialise”, “Dematerialisation” or “Dematerialised”	the process by which securities which are evidenced by a certificate are converted to securities that are held in collective custody by a CSDP or its nominee in a separate central securities account and are transferrable by entry into said separate central securities account without a certificate or written instrument;
“Dematerialised Shareholder”	holders of Dematerialised Shares;
“Dematerialised Shares”	EOH Ordinary Shares that have been Dematerialised;
“Distribution”	shall have the meaning ascribed thereto in section 1 of the Companies Act and “ <i>Distribute</i> ” shall bear a corresponding meaning;
“Early Redemption Date”	in relation to an EOH A Share, the date on which EOH delivers an Early Redemption Notice to Lebashe Holdco in respect of such EOH A Share;
“Early Redemption Notice”	a written notice by EOH, from time to time, pursuant to an early redemption as envisaged in paragraph 5.8.4.2 or 5.8.5.2 of this Circular;
“EOH” or the “Company”	EOH Holdings Limited, registration number 1998/014669/06, a limited liability public company incorporated in accordance with the laws of South Africa and whose EOH Ordinary Shares are listed on the Exchange;
“EOH A Shares”	new unlisted redeemable A shares in the authorised share capital of EOH, having the rights and privileges to be set out in the New EOH MOI, the salient terms of the EOH A Shares being set out in annexure 2 to this Circular;
“EOH Funding Agreements”	the “ <i>Finance Documents</i> ” as defined in the written agreement headed “ <i>Common Terms Agreement</i> ” entered into between EOH Mthombo Proprietary Limited, a wholly owned Subsidiary of EOH, and various financial institutions;
“EOH Group” or the “Group”	EOH, its Subsidiaries, Associates and joint ventures from time to time;
“EOH MOI”	the memorandum of incorporation of EOH;
“EOH Ordinary Shares”	ordinary shares of no par value in the authorised share capital of EOH;
“EOH Shareholders” or “Shareholders”	registered holders of EOH Ordinary Shares;
“EOH Holding Company Share Participation Scheme”	an EOH share incentive scheme approved by Shareholders and the JSE and registered as a share trust in accordance with Schedule 14 of the Listings Requirements;
“EOH Share Trust”	The EOH Holding Company Share Participation Trust, Master’s reference number IT 8/03/98, housing the interests of the participants in the EOH Holding Company Share Participation Scheme, or the trustees thereof, as the context may require;
“EOH Shares”	collectively, the EOH Ordinary Shares and EOH A Shares;
“Exchange”	the securities exchange operated by the JSE;
“Financial Markets Act”	the Financial Markets Act, No. 19 of 2012, as amended from time to time;
“First Tranche”	a number of EOH Ordinary Shares to be issued to Lebashe Financial Services for an aggregate cash subscription price of R250 000 000, pursuant to the Subscription Undertaking, as more fully described in paragraph 5.6.1.1 of this Circular;

“Form of Proxy”	the form of proxy incorporated into this Circular for use by Certificated Shareholders and Dematerialised Shareholders with “ <i>own name</i> ” registration only, for purposes of appointing a proxy to represent such EOH Shareholder at the General Meeting;
“General Meeting”	the general meeting of EOH Shareholders to be held at the registered office of the Company, at EOH Business Park, Ground Floor, Block D, 1 Osborne Lane, Gillooly’s View, Bedfordview on Tuesday, 18 September 2018 at 14h00 (or any postponement or adjournment thereof), to consider and, if deemed fit, pass the Resolutions, with or without modification, as set out in the Notice of General Meeting;
“General Meeting LDT”	the last day to trade in EOH Ordinary Shares in order to be recorded in the Register on the General Meeting Record Date, being Tuesday, 4 September 2018;
“General Meeting Record Date”	the date on which an EOH Shareholder must be recorded in the Register in order to be eligible to participate in the General Meeting, being Friday, 7 September 2018;
“Implementation Date”	the date on which the BEE Transaction will be implemented, being the 6 th Business Day after the date on which the last of the Conditions Precedent is fulfilled;
“Independent Expert” or “BDO Corporate Finance”	BDO Corporate Finance Proprietary Limited (registration number 1983/002903/07) a limited liability private company incorporated in accordance with the laws of South Africa;
“Independent Expert Report”	the report prepared by the Independent Expert, providing Shareholders with the opinion of the Independent Expert, in accordance with the dispensation granted by the JSE in respect of the application of paragraph 4.24 of the Listings Requirements in regard to the A Share Issue;
“Initial Subscription”	the issue of the Subscription EOH Ordinary Shares to BEE SPV 1 for an aggregate cash subscription price of R250 000 000, pursuant to the Subscription Agreement, as more fully described in paragraph 5.4 of this Circular;
“Initial Subscription Base Price”	a price equal to the 60 Day VWAP on the date on which Shareholders pass the Resolutions at the General Meeting, <i>inter alia</i> , authorising the allotment and issue of the Subscription EOH Ordinary Shares and the Subscription EOH A Shares, less 10%;
“JSE”	JSE Limited, registration number 2005/022939/06, a limited liability public company incorporated in accordance with the laws of South Africa and licensed to operate a securities exchange under the Financial Markets Act;
“Last Practicable Date”	Friday, 20 July 2018, being the last practicable date prior to the finalisation of this Circular;
“Lebashe”	Lebashe Holdco and its Subsidiaries or any one or more of them as the context may require;
“Lebashe Financial Services”	Lebashe Financial Services Proprietary Limited, registration number 2017/501103/07, a limited liability private company incorporated in accordance with the laws of South Africa and a Subsidiary of Lebashe Holdco;
“Lebashe Holdco” or “Lebashe Investment Group”	Lebashe Investment Group Proprietary Limited, registration number 2015/032440/07, a limited liability private company incorporated in accordance with the laws of South Africa, the shareholders of which are detailed in paragraph 4 of this Circular;
“Lebashe Pledge and Cession Agreement”	the written agreement headed “ <i>Lebashe Pledge and Cession Agreement</i> ” entered into between EOH, Lebashe Financial Services, BEE SPV 1 and BEE SPV 2 on 27 July 2018, in terms of which Lebashe Financial Services pledges and cedes in <i>securitatem debiti</i> all of the shares held by it in BEE SPV 2 to and in favour of EOH as security for its obligations in terms of the Transaction Documents (other than the Subscription Undertaking Agreement);
“Listings Requirements”	the JSE Limited Listings Requirements, as amended from time to time;
“Maturity Date”	the Business Day immediately succeeding the end of the Transaction Term;
“MOI Amendments”	the amendments to the EOH MOI to effect, <i>inter alia</i> , the creation of the EOH A Shares, as more fully described in paragraph 5.7 of this Circular, an extract of the New EOH MOI, as it pertains to the MOI Amendments, being set out in annexure 5 to this Circular;
“Mthombo Trust”	The Mthombo Trust incorporating the Enterprise Outsourcing Empowerment Share Option Scheme, Master’s reference number IT 360/06, housing the interests of the participants in the Enterprise Outsourcing Empowerment Share Option Scheme, which is not registered as a scheme in accordance with schedule 14 of the Listings Requirements, or the trustees thereof, as the context may require;
“New EOH MOI”	the EOH MOI as amended by the MOI Amendments (an extract of the New EOH MOI, as it pertains to the MOI Amendments, being set out in annexure 5 to this Circular);
“Notice of General Meeting”	the notice convening the General Meeting, incorporated in this Circular;
“Ordinary Resolution”	a resolution adopted by Shareholders with the support of more than 50% of the voting rights exercised on the resolution or such higher threshold as may be required by the Listings Requirements;

“Partial Subscription Notice”	a notice offering to subscribe for EOH Ordinary Shares comprising a Partial Tranche for the Partial Tranche Subscription Price, as envisaged in paragraph 5.6.2 of this Circular;
“Partial Tranche”	a number of EOH Ordinary Shares to be issued to Lebashe Financial Services pursuant to a Partial Tranche Subscription, as more fully described in paragraph 5.6.2 of this Circular;
“Partial Tranche Subscription”	the subscription for a Partial Tranche pursuant to a Partial Subscription Notice, subject to the acceptance thereof by EOH, as more fully described in paragraph 5.6.2 of this Circular;
“Partial Tranche Subscription Price”	the Rand amount stipulated by Lebashe Financial Services in the Partial Subscription Notice;
“Rand” or “R”	South African Rand and cents, the official currency of South Africa;
“Register”	collectively, the register of EOH Shareholders holding Certificated Shares maintained by the Transfer Secretaries and the sub-register of EOH Shareholders who hold Dematerialised Shares maintained by the relevant CSDPs in accordance with section 50 of the Companies Act;
“Relationship Agreement”	the written agreement headed “ <i>Relationship Agreement</i> ” entered into between EOH and the BEE Parties on 27 July 2018, as amended, in terms of which, <i>inter alia</i> , the relationship between EOH and the BEE Parties in respect of the BEE Transaction will be governed;
“Resolutions”	the Ordinary Resolutions and Special Resolutions to be proposed at the General Meeting, as set out in the Notice of General Meeting;
“Second Tranche”	a number of EOH Ordinary Shares to be issued to Lebashe Financial Services for an aggregate cash subscription price of R250 000 000 less the Second Tranche Partial Subscription Price Aggregate, pursuant to the Subscription Undertaking, as more fully described in paragraph 5.6.1.2 of this Circular;
“Second Tranche Partial Subscription Price Aggregate”	the aggregate Partial Tranche Subscription Prices paid by Lebashe Financial Services to EOH in respect of the Partial Tranches subscribed for in relation to the Second Tranche;
“Second Tranche Subscription Period”	the period commencing on the Implementation Date and terminating 6 months thereafter;
“SENS”	the Stock Exchange News Service of the JSE;
“South Africa”	the Republic of South Africa;
“Special Resolution”	a resolution adopted by Shareholders with the support of at least 75% of the voting rights exercised on the resolution;
“Subscription Agreement”	the written agreement headed “ <i>Subscription Agreement</i> ” entered into between, amongst others, BEE SPV 1, BEE SPV 2, Lebashe Financial Services and EOH on 27 July 2018, in terms of which BEE SPV 1 will subscribe for the Subscription EOH Ordinary Shares and BEE SPV 2 will subscribe for the Subscription EOH A Shares, pursuant to the Initial Subscription and A Share Issue, respectively;
“Subscription EOH A Shares”	40 000 000 EOH A Shares to be issued to BEE SPV 2 at a nominal aggregate subscription price of R1.00, pursuant to the A Share Issue, as more fully described in paragraph 5.5.1 of this Circular;
“Subscription EOH Ordinary Shares”	a number of EOH Ordinary Shares to be issued to BEE SPV 1, on the Implementation Date, for an aggregate cash subscription price of R250 000 000, pursuant to the Initial Subscription, as more fully described in paragraph 5.4.1 of this Circular;
“Subscription Notice”	a notice giving effect to the subscription of the Second Tranche or the Third Tranche, as the case may be, pursuant to the Subscription Undertaking as envisaged in paragraph 5.6.1.2 or 5.6.1.3 of this Circular, respectively;
“Subscription Undertaking”	the undertaking by Lebashe Financial Services to subscribe for the Subscription Undertaking Shares for an aggregate cash subscription price of R750 000 000, pursuant to the Subscription Undertaking Agreement, as more fully described in paragraph 5.6 of this Circular;
“Subscription Undertaking Agreement”	the written agreement headed “ <i>Subscription Undertaking Agreement</i> ” entered into between Lebashe Financial Services and EOH on 27 July 2018, in terms of which Lebashe Financial Services undertakes to subscribe for the Subscription Undertaking Shares, pursuant to the Subscription Undertaking;

“Subscription Undertaking Base Price”	<p>in respect of:</p> <ul style="list-style-type: none"> • the First Tranche, a price equal to the 30 Day VWAP on the date on which Shareholders pass the Resolutions at the General Meeting, <i>inter alia</i>, authorising the allotment and issue of the Subscription EOH Ordinary Shares and the Subscription EOH A Shares, less 10%; • the Second Tranche, a price equal to the 30 Day VWAP on the date of issue of the EOH Ordinary Shares comprising the Second Tranche less 10%; • the Third Tranche, a price equal to the 30 Day VWAP on the date of issue of the EOH Ordinary Shares comprising the Third Tranche less 10%; and • a Partial Tranche, a price equal to the 30 Day VWAP on the date of issue of the EOH Ordinary Shares comprising the Partial Tranche less 10%;
“Subscription Undertaking Breach”	shall bear the meaning ascribed thereto in paragraph 5.8.5 of this Circular;
“Subscription Undertaking Shares”	the EOH Ordinary Shares comprising the First Tranche, Second Tranche, Third Tranche and any Partial Tranche, or any one or more of the foregoing, as the context may require;
“Subsidiary”	has the meaning ascribed to “ <i>subsidiary</i> ” in the Companies Act;
“Third Tranche”	a number of EOH Ordinary Shares to be issued to Lebashe Financial Services for an aggregate cash subscription price of R250 000 000 less the Third Tranche Partial Subscription Price Aggregate, pursuant to the Subscription Undertaking, as more fully described in paragraph 5.6.1.3 of this Circular;
“Third Tranche Partial Subscription Price Aggregate”	the aggregate Partial Tranche Subscription Prices paid by Lebashe Financial Services to EOH in respect of the Partial Tranches subscribed for in relation to the Third Tranche;
“Third Tranche Subscription Period”	the period commencing on the Implementation Date and terminating 12 months thereafter;
“Transaction Agreements”	collectively, the Transaction Documents save for the memoranda of incorporation of each of BEE SPV 1 and BEE SPV 2;
“Transaction Documents”	collectively, the BEE SPV 2 Guarantee, the BEE SPV 2 Pledge and Cession Agreement, the Lebashe Pledge and Cession Agreement, the Relationship Agreement, the Subscription Agreement, the Subscription Undertaking Agreement and the memoranda of incorporation of each of BEE SPV 1 and BEE SPV 2, further details of which are set out in paragraph 6 of this Circular;
“Transaction Term”	the period commencing on the Implementation Date and terminating on the 5th anniversary thereof;
“Transfer Secretaries” or “Computershare”	Computershare Investor Services Proprietary Limited, registration number 2004/003647/07, a private company incorporated in South Africa;
“Treasury Shares”	<p>the EOH Ordinary Shares held by:</p> <ul style="list-style-type: none"> • the EOH Group share incentive scheme vehicles, being the EOH Share Trust and the Mthombo Trust, from time to time, which as at the Last Practicable Date amounted to, in aggregate, 2 366 945 EOH Ordinary Shares; and • V55 Investments, a wholly owned Subsidiary of EOH, from time to time, which as at the Last Practicable Date amounted to 5 329 990 EOH Ordinary Shares;
“Trigger Event”	<p>the occurrence of any one or more of the following at any time during the Transaction Term:</p> <ul style="list-style-type: none"> • any insolvency event occurs in respect of any BEE Party, as envisaged in the Relationship Agreement; • any BEE Party is in breach of any of the BEE warranties given by it in terms of the Relationship Agreement (“BEE Warranty Breach”) and fails to remedy such breach timeously; or • any BEE Party is in breach of any of the provisions of the Transaction Documents, to which it is a party (other than a BEE Warranty Breach or the Subscription Undertaking Breach), and fails to remedy such breach timeously;
“V55 Investments”	V55 Investments Proprietary Limited, registration number 2000/029832/07, a limited liability private company incorporated in accordance with the laws of South Africa and a wholly owned Subsidiary of EOH; and
“VAT”	value-added tax levied in terms of the Value-Added Tax Act, No. 89 of 1991, as amended from time to time.

SALIENT DATES AND TIMES ^{1, 2}

The definitions and interpretations commencing on page 5 of this Circular apply to this section.

2018

Record date to determine which Shareholders are entitled to receive this Circular, on	Friday, 10 August
Posting of this Circular to EOH Shareholders, on	Monday, 20 August
Notice of posting of this Circular published on SENS, on	Monday, 20 August
General Meeting LDT, being the last day to trade in EOH Ordinary Shares in order to be recorded in the Register and be eligible to attend, participate in and vote at the General Meeting, on ^{3, 4}	Tuesday, 4 September
General Meeting Record Date, being the date on which an EOH Shareholder must be recorded in the Register to be eligible to attend, participate in and vote at the General Meeting, on	Friday, 7 September
Form of Proxy to be received by the Transfer Secretaries by 14h00, on ^{5, 6, 7}	Friday, 14 September
General Meeting to be held at 14h00, on	Tuesday, 18 September
Announcement of results of General Meeting to be published on SENS, on	Tuesday, 18 September

Notes:

1. The dates and times set out in this Circular are subject to change, with the approval of the JSE (if required). Any change in the dates and times will be published on SENS.
2. All times given in this Circular are local times in South Africa.
3. Shareholders should note that as trades in EOH Ordinary Shares are settled in the electronic settlement system used by Strate Proprietary Limited, settlement of trades will take place 3 Business Days after such trade, therefore, persons who acquire EOH Ordinary Shares after the General Meeting LDT, namely Tuesday, 4 September 2018, will not be eligible to attend, participate in and vote at the General Meeting.
4. No Dematerialisation or rematerialisation of EOH Ordinary Shares may take place from the Business Day following the General Meeting LDT up to and including the General Meeting Record Date.
5. Dematerialised Shareholders, other than those with "own name" registration, must provide their Broker or CSDP with their instructions for voting at the General Meeting by the cut-off date and time stipulated by their Broker or CSDP in terms of their respective custody agreements.
6. Any Form of Proxy not delivered to the Transfer Secretaries by the stipulated date and time may be handed to the chairman of the General Meeting before such Shareholder's voting rights are exercised at the General Meeting (or any adjournment or postponement of the General Meeting).
7. If the General Meeting is adjourned or postponed, the Forms of Proxy submitted for the initial General Meeting will remain valid in respect of any adjournment or postponement of the General Meeting.



EOH HOLDINGS LIMITED

(Incorporated in the Republic of South Africa)

(Registration number 1998/014669/06)

JSE Share code: EOH

ISIN: ZAE000071072

("EOH" or the "Company")

Executive Directors

Zunaid Mayet (Group Chief Executive Officer)

John King (Group Financial Director)

Tebogo Maenetja

Non-executive Directors

Asher Bohbot (Chairman)

Robert Sporen^{^*} (Lead Independent Director)

Tshilidzi Marwala[^]

Pumeza Bam

Moretlo Molefi[^]

Jesmane Boggenpoel[^]

Ismail Mamoojee[^]

[^]Independent

^{*}Dutch

CIRCULAR TO SHAREHOLDERS

1. INTRODUCTION

- 1.1 Shareholders are referred to the Announcements, wherein Shareholders were advised that EOH had entered into various agreements with Lebashe pursuant to which EOH and Lebashe agreed, subject to the fulfilment of certain conditions precedent, to conclude a black economic empowerment transaction, whereby EOH would establish a strategic long-term partnership with Lebashe, thereby significantly enhancing EOH's BEE ownership credentials over a period of 10 years, at a minimum of 32.6% ¹ for the first 5 years following the implementation of the BEE Transaction.
- 1.2 The BEE Transaction comprises three inter-conditional elements designed to achieve specific outcomes, being, *inter alia*:
- 1.2.1 an increase in EOH's secured BEE ownership, through the A Share Issue, being the issue of 40 000 000 EOH A Shares to Lebashe on the Implementation Date, for a nominal aggregate subscription price of R1.00, to be held by Lebashe for the duration of the Transaction Term, which will be redeemed upon implementation of the Capitalisation Issue, as more fully described in paragraph 5.5 of this Circular; and
- 1.2.2 a R1 billion equity capital raise through:
- 1.2.2.1 the Initial Subscription, being the issue of new EOH Ordinary Shares to Lebashe on the Implementation Date, at a 10% discount to the 60 Day VWAP, for a total cash subscription price of R250 000 000, to be held by Lebashe for the duration of the Transaction Term, as more fully described in paragraph 5.4 of this Circular; and
- 1.2.2.2 the Subscription Undertaking, being the undertaking by Lebashe to subscribe for new EOH Ordinary Shares, at a 10% discount to the 30 Day VWAP, for a total cash subscription price of R750 000 000, as more fully described in paragraph 5.6 of this Circular.
- 1.3 Furthermore, simultaneously with the BEE Transaction:
- 1.3.1 pursuant to the A Share Issue, the Capitalisation Issue, being the issue of a number of new EOH Ordinary Shares to Lebashe, determined in accordance with the A Share Formula, at the end of the Transaction Term, pursuant to a capitalisation issue in respect of the EOH A Shares, as more fully described in paragraph 5.5.2 of this Circular; and
- 1.3.2 the MOI Amendments, including, *inter alia*, the creation of the EOH A Shares, as more fully described in paragraph 5.7 of this Circular,
- will be proposed to Shareholders.
- 1.4 The BEE Transaction, Capitalisation Issue and MOI Amendments will be subject to the fulfilment or waiver (if permitted), as the case may be, of the Conditions Precedent as more fully described in paragraph 5.9 of this Circular.
- 1.5 The Board are in unanimous support of the BEE Transaction, the Capitalisation Issue and the MOI Amendments and recommend that Shareholders vote in favour of the Resolutions at the General Meeting.
- 1.6 To obtain a full understanding of the terms and conditions of the BEE Transaction and the information regarding the Initial Subscription, A Share Issue, Subscription Undertaking, Capitalisation Issue and MOI Amendments, this Circular should be read in its entirety.

¹ Based on the assumption that the Subscription Undertaking is implemented in full on the Implementation Date and Lebashe holds such Subscription Undertaking Shares for the duration of the Transaction Term.

2. RATIONALE

- 2.1 EOH is Africa's largest technology service solutions group, providing technology, knowledge, skills and organisational ability critical to Africa's development and growth. As a provider of high-value, end-to-end solutions to clients in all industry verticals, the technology sector continues to present significant growth opportunities for EOH, both locally and internationally. These opportunities become more accessible with increased capital resources and strong, sustainable empowerment credentials established with credible, long-term strategic partners.
- 2.2 As a proudly South African business, EOH is committed to transformation and has continuously maintained one of the highest broad-based black economic empowerment ratings amongst its peers listed on the Exchange. Consistent with this commitment and EOH's continued focus on growth across the African continent and abroad, the BEE Transaction seeks to:
- 2.2.1 establish a long-term strategic partnership with Lebashe, enabling EOH and Lebashe to benefit from accessing significant synergies across a platform of financial services and other industries where both EOH and Lebashe have a presence;
- 2.2.2 enhance EOH's growth strategy by securing and increasing EOH's BEE ownership credentials for the benefit of EOH's various stakeholders;
- 2.2.3 provide EOH with a significant equity capital injection for the purposes of EOH pursuing its organic and acquisitive growth strategy; and
- 2.2.4 establish a platform of mutual commitment between EOH and Lebashe for purposes of further developing and harnessing the opportunities and synergies available to EOH and Lebashe.

3. PURPOSE OF THIS CIRCULAR

The purpose of this Circular is to:

- 3.1 provide Shareholders with all relevant information regarding the terms and conditions of the BEE Transaction and the information regarding the Initial Subscription, A Share Issue, Subscription Undertaking, Capitalisation Issue and MOI Amendments in order to enable Shareholders to make an informed decision as to how they wish to exercise their voting rights in respect of the Resolutions;
- 3.2 provide Shareholders with information regarding Lebashe;
- 3.3 provide Shareholders with the Independent Expert Report, in accordance with the dispensation granted in respect of the application of paragraph 4.24 of the Listings Requirements in relation to the A Share Issue;
- 3.4 provide Shareholders with the Board's recommendation in respect of the Resolutions; and
- 3.5 convene the General Meeting in order to consider and, if deemed fit, approve (with or without modification) the Resolutions at the General Meeting.

4. OVERVIEW OF LEBASHE

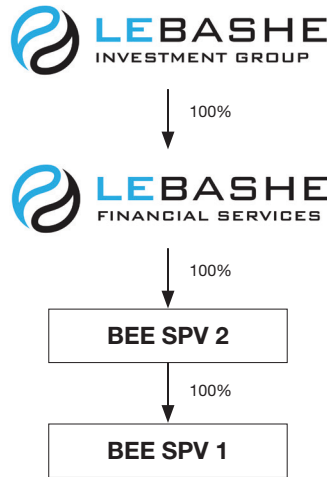
- 4.1 Lebashe Holdco is an established, 100% black-owned investment holding company with a variety of interests in the South African financial and technology sector, with interests in, *inter alia*, Capitec Bank Holdings Limited, Aluwani Capital Partners Proprietary Limited, 4 Africa Exchange Proprietary Limited, RainFin (RF) Limited as well as various other entities operating within the financial and technology sectors.
- 4.2 As at the Last Practicable Date, the shareholders of Lebashe Holdco comprise the following:

Shareholder	Number of ordinary shares in Lebashe Holdco	Percentage shareholding
Pazomanzi Proprietary Limited ¹	1 044	27.47%
Little River Trading 305 Proprietary Limited ²	800	21.05%
Tamibex Proprietary Limited ³	780	20.53%
WGW Capital Proprietary Limited ⁴	358	9.42%
Raphwab Proprietary Limited ⁵	280	7.37%
JFF Ventures Proprietary Limited ⁶	240	6.32%
Aztocube Proprietary Limited ⁷	133	3.50%
Telastyle Proprietary Limited ⁸	125	3.29%
Fawzia Lucia Sidwell	40	1.05%
Total	3 800	100.00%

Notes:

1. Motagane Trust, the beneficiaries of which include Tshepo Mahloele (a director of Lebashe Holdco) and his family members, holds 100% of the shares in issue in Pazomanzi Proprietary Limited.
2. Segotsane Seopa and Zivocap Proprietary Limited (which is 100% held by Segotsane Seopa) jointly hold 100% of the shares in issue in Little River Trading 305 Proprietary Limited.
3. The shareholders of Tamibex Proprietary Limited include Lorna Nxumalo, Bongwiwe Dlamini, Colene Arendse, Felicity Mahloele and Elizabeth Motlalepule.
4. WGW Family Trust, the beneficiaries of which include Warren Wheatley (a director of Lebashe Holdco) and his family members, holds 100% of the shares in issue in WGW Capital Proprietary Limited.
5. Mbenzane Family Trust, the beneficiaries of which include Jabu Moleketi (a director of Lebashe Holdco) and his family members, holds 100% of the shares in issue in Raphwab Proprietary Limited.
6. Nothando Moleketi-Williams holds 100% of the shares in issue in JFF Ventures Proprietary Limited.
7. Mabusa Moja holds 100% of the shares in issue in Aztocube Proprietary Limited.
8. IMT Trust, the beneficiaries of which include Lindiwe Temba and her family members, holds 100% of the shares in issue in Telastyle Proprietary Limited.

4.3 A diagram depicting the Lebashe group structure, as it relates to the BEE Transaction, is detailed below:



4.4 As at the Last Practicable Date, Lebashe held 146 544 EOH Ordinary Shares, amounting to approximately 0.1% of the total EOH Ordinary Shares in issue, excluding Treasury Shares.

5. BEE TRANSACTION AND CAPITALISATION ISSUE

5.1 The BEE Transaction comprises, *inter alia*, three sequential and inter-conditional transaction components including (i) the Initial Subscription; (ii) the A Share Issue; and (iii) the Subscription Undertaking, the terms and conditions of which are detailed below.

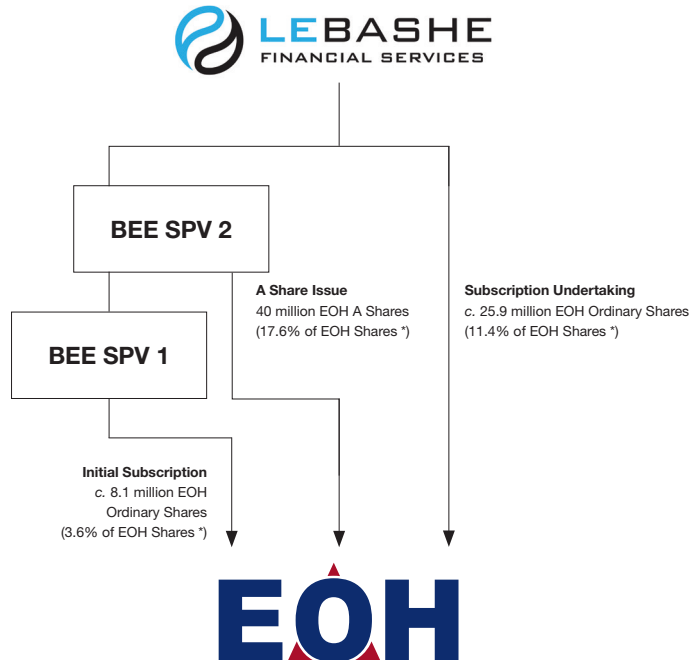
5.2 Upon implementation of:

5.2.1 the Initial Subscription and A Share Issue, Lebashe will, on the Implementation Date, collectively and effectively hold EOH Shares amounting to approximately 21.2% of the total EOH Shares in issue, comprising the Subscription EOH Ordinary Shares and the Subscription EOH A Shares; and

5.2.2 the Subscription Undertaking in full, Lebashe’s holding of EOH Shares will further increase by approximately 11.4% of the total EOH Shares in issue,

as further illustrated in paragraph 5.3 of this Circular.

5.3 A diagram depicting the BEE shareholding structure following the implementation of the BEE Transaction is set out below.



* Total EOH Shares in issue following the issue of 8 107 933 Subscription EOH Ordinary Shares (based on the 60 Day VWAP on the Last Practicable Date less 10%, being R30.83 per Subscription EOH Ordinary Share), 40 000 000 Subscription EOH A Shares and 25 855 828 Subscription Undertaking Shares in full (based on the 30 Day VWAP on the Last Practicable Date less 10%, being R29.01 per Subscription Undertaking Share). The number of Subscription EOH Ordinary Shares and Subscription Undertaking Shares that will ultimately be issued to Lebashe is dependent on the actual Initial Subscription Base Price and the Subscription Undertaking Base Price, respectively. Accordingly, the diagram is provided for illustrative purposes only and may not present the actual BEE shareholding structure after the implementation of the BEE Transaction.

5.4 Initial Subscription

- 5.4.1 In terms of the Subscription Agreement, on the Implementation Date, BEE SPV 1, an indirect Subsidiary of Lebashe Holdco, will subscribe for the Subscription EOH Ordinary Shares, being a number of EOH Ordinary Shares determined in accordance with the following formula, rounded up or down, as the case may be, to the nearest whole number:

$$\frac{\text{R250 000 000}}{\text{Initial Subscription Base Price}}$$

for an aggregate cash subscription price of R250 000 000.

- 5.4.2 Upon implementation of the Initial Subscription and based on the assumption that the Subscription EOH Ordinary Shares are issued at an Initial Subscription Base Price equal to the 60 Day VWAP on the Last Practicable Date less 10%, being R30.83 per Subscription EOH Ordinary Share, an aggregate of 8 107 933 Subscription EOH Ordinary Shares will be issued to BEE SPV 1. For the avoidance of doubt, the actual number of Subscription EOH Ordinary Shares that will ultimately be issued to BEE SPV 1 is dependent on the Initial Subscription Base Price.
- 5.4.3 Following the implementation of the Initial Subscription, EOH's BEE ownership will increase by approximately 3.6%².
- 5.4.4 For purposes of securing the BEE ownership credentials which shall accrue to EOH pursuant to the Initial Subscription, Lebashe has undertaken, for the duration of the Transaction Term, not to dispose of nor encumber the Subscription EOH Ordinary Shares received pursuant to the Initial Subscription, other than as contemplated in paragraph 5.8.1 of this Circular.
- 5.4.5 The Subscription EOH Ordinary Shares will rank *pari passu* with all other EOH Ordinary Shares and BEE SPV 1 will be entitled to receive all Distributions made by EOH in respect of the Subscription EOH Ordinary Shares.
- 5.4.6 The Initial Subscription will constitute a specific issue of shares for cash by EOH, as contemplated in paragraph 5.51 of the Listings Requirements, and therefore is subject to, *inter alia*, the adoption of an Ordinary Resolution by the requisite majority of Shareholders at the General Meeting (excluding Lebashe and its associates), being a 75% majority of the votes cast in favour of the Resolution.
- 5.4.7 Upon implementation of the Initial Subscription, application will be made to the JSE for the listing of the Subscription EOH Ordinary Shares on the Exchange.

5.5 A Share Issue, Capitalisation Issue and redemption

5.5.1 A Share Issue

- 5.5.1.1 EOH will create 40 000 000 new unlisted redeemable EOH A Shares (the salient terms of which are set out in annexure 2 to this Circular), for purposes of the BEE Transaction, by way of an amendment to the EOH MOI, as more fully described in paragraph 5.7 of this Circular. An extract of the New EOH MOI, as it pertains to the MOI Amendments, containing the terms of the EOH A Shares, is set out in annexure 5 to this Circular.
- 5.5.1.2 In terms of the Subscription Agreement, on the Implementation Date, BEE SPV 2, an indirect Subsidiary of Lebashe Holdco, will subscribe for 40 000 000 EOH A Shares, being the Subscription EOH A Shares, for a nominal aggregate subscription price of R1.00.
- 5.5.1.3 Following the implementation of the A Share Issue, EOH's BEE ownership will further increase by approximately 17.6%³, resulting in an aggregate increase in EOH's BEE ownership of 21.2%³ following the implementation of the Initial Subscription and A Share Issue.
- 5.5.1.4 In order to secure the increased BEE ownership in EOH, for the duration of the Transaction Term, Lebashe has undertaken not to dispose of nor encumber the Subscription EOH A Shares acquired pursuant to the A Share Issue, other than as contemplated in paragraph 5.8.1 of this Circular.
- 5.5.1.5 During the Transaction Term, each EOH A Share shall rank *pari passu* with an EOH Ordinary Share in respect of voting rights. Each EOH A Share will receive cash dividends in an amount equal to the value of 15% of cash dividends paid by EOH in respect of an EOH Ordinary Share.
- 5.5.1.6 The A Share Issue will constitute a specific issue of shares for cash by EOH, as contemplated in paragraph 5.51 of the Listings Requirements, and therefore is subject to, *inter alia*, the adoption of an Ordinary Resolution by the requisite majority of Shareholders at the General Meeting (excluding Lebashe and its associates), being a 75% majority of the votes cast in favour of the Resolution.
- 5.5.1.7 For the avoidance of doubt the EOH A Shares will not be listed on the Exchange or any other securities exchange and will not be taken into account for purposes of categorisation of any transactions pursuant to the provisions of section 9 of the Listings Requirements.

² Based on total EOH Shares (comprising EOH Ordinary Shares and EOH A Shares) in issue following the issue of 8 107 933 Subscription EOH Ordinary Shares (based on the 60 Day VWAP on the Last Practicable Date less 10%, being R30.83 per Subscription EOH Ordinary Share), 40 000 000 Subscription EOH A Shares and 25 855 828 Subscription Undertaking Shares in full (based on the 30 Day VWAP on the Last Practicable Date less 10%, being R29.01 per Subscription Undertaking Share).

³ Based on total EOH Shares (comprising EOH Ordinary Shares and EOH A Shares) in issue following the issue of 8 107 933 Subscription EOH Ordinary Shares (based on the 60 Day VWAP on the Last Practicable Date less 10%, being R30.83 per Subscription EOH Ordinary Share), 40 000 000 Subscription EOH A Shares and 25 855 828 Subscription Undertaking Shares in full (based on the 30 Day VWAP on the Last Practicable Date less 10%, being R29.01 per Subscription Undertaking Share).

5.5.2 Capitalisation Issue and redemption

5.5.2.1 After the Transaction Term, on the Maturity Date (provided that EOH has not delivered an Early Redemption Notice in respect of the relevant EOH A Shares, further details of which are contained in paragraph 5.8.4.2 of this Circular), EOH will issue a number of EOH Ordinary Shares, as determined in accordance with the A Share Formula, to BEE SPV 2, as Capitalisation Shares, in respect of the EOH A Shares held by BEE SPV 2 in accordance with the terms applicable to the EOH A Shares as set out in the New EOH MOI, whereafter the EOH A Shares held by BEE SPV 2 will be redeemed for an aggregate nominal consideration of R1.00.

5.5.2.2 The A Share Formula is set out below:

$$A = \frac{[B \times (C + D)]}{E}$$

where:

A = Number of EOH Ordinary Shares to be issued in respect of all the EOH A Shares.

B = Number of EOH A Shares held by BEE SPV 2 as at the Maturity Date.

C = 30 Day VWAP on the Maturity Date less R90.00, provided that if "C" is less than zero then "C" shall be deemed to be equal to zero.

D = An amount equal to 85% of any dividend declared and paid by EOH in respect of an EOH Ordinary Share throughout the Transaction Term.

E = 30 Day VWAP on the Maturity Date.

5.5.2.3 The Capitalisation Issue will constitute a future specific issue of shares for cash by EOH, as contemplated in paragraph 5.51 of the Listings Requirements and therefore is subject to, *inter alia*, the adoption of an Ordinary Resolution by the requisite majority of Shareholders at the General Meeting (excluding Lebashe and its associates), being a 75% majority of the votes cast in favour of the Resolution.

5.5.2.4 Upon implementation of the Capitalisation Issue, application will be made to the JSE for the listing of the Capitalisation Shares on the Exchange.

5.6 Subscription Undertaking

5.6.1 In terms of the Subscription Undertaking Agreement, Lebashe Financial Services, a Subsidiary of Lebashe Holdco, will undertake to subscribe for new EOH Ordinary Shares, for an aggregate cash subscription price of R750 000 000, as follows:

5.6.1.1 on the Implementation Date, Lebashe Financial Services will subscribe for the EOH Ordinary Shares comprising the First Tranche, for an aggregate cash subscription price of R250 000 000, which number of EOH Ordinary Shares shall be determined in accordance with the following formula, rounded up or down, as the case may be, to the nearest whole number:

$$\frac{R250\,000\,000}{\text{Subscription Undertaking Base Price}}$$

5.6.1.2 within the Second Tranche Subscription Period, Lebashe Financial Services will subscribe for the EOH Ordinary Shares comprising the Second Tranche, by delivering a Subscription Notice in respect of the Second Tranche to EOH, for an aggregate cash subscription price of R250 000 000 less the Second Tranche Partial Subscription Price Aggregate, which number of EOH Ordinary Shares shall be determined in accordance with the following formula, rounded up or down, as the case may be, to the nearest whole number:

$$\frac{R250\,000\,000 - \text{Second Tranche Partial Subscription Price Aggregate}}{\text{Subscription Undertaking Base Price}}$$

5.6.1.3 within the Third Tranche Subscription Period, Lebashe Financial Services will subscribe for the EOH Ordinary Shares comprising the Third Tranche, by delivering a Subscription Notice in respect of the Third Tranche to EOH, for an aggregate cash subscription price of R250 000 000 less the Third Tranche Partial Subscription Price Aggregate, which number of EOH Ordinary Shares shall be determined in accordance with the following formula, rounded up or down, as the case may be, to the nearest whole number:

$$\frac{R250\,000\,000 - \text{Third Tranche Partial Subscription Price Aggregate}}{\text{Subscription Undertaking Base Price}}$$

5.6.2 Partial Tranche Subscriptions

5.6.2.1 In terms of the Subscription Undertaking Agreement, Lebashe Financial Services shall be entitled to deliver one or more Partial Subscription Notices to EOH, which Partial Subscription Notice EOH shall be entitled to, in its sole and absolute discretion, accept, for purposes of settling a portion of its obligation to subscribe for the Second Tranche or the Third Tranche, as the case may be, provided that:

5.6.2.1.1 in respect of the Second Tranche:

5.6.2.1.1.1 Lebashe Financial Services has not delivered a Subscription Notice in respect of the Second Tranche, as envisaged in paragraph 5.6.1.2 of this Circular; or

5.6.2.1.1.2 pursuant to EOH's acceptance of the Partial Subscription Notice, the Second Tranche Partial Subscription Price Aggregate would not exceed R250 000 000; and

5.6.2.1.2 in respect of the Third Tranche:

5.6.2.1.2.1 Lebashe Financial Services has not delivered a Subscription Notice in respect of the Third Tranche, as envisaged in paragraph 5.6.1.3 of this Circular; or

5.6.2.1.2.2 pursuant to EOH's acceptance of the Partial Subscription Notice, the Third Tranche Partial Subscription Price Aggregate would not exceed R250 000 000.

5.6.2.2 The number of EOH Ordinary Shares to be issued to Lebashe Financial Services pursuant to a Partial Tranche Subscription shall be determined in accordance with the following formula, rounded up or down, as the case may be, to the nearest whole number:

$$\frac{\text{Partial Tranche Subscription Price}}{\text{Subscription Undertaking Base Price}}$$

5.6.2.3 For the avoidance of doubt, implementation of a Partial Tranche Subscription and the subsequent issue of the Partial Tranche in respect thereof, shall not release Lebashe Financial Services of its obligation to subscribe for the full Second Tranche and Third Tranche during the Second Tranche Subscription Period and Third Tranche Subscription Period, respectively.

5.6.3 Upon implementation of the Subscription Undertaking in full and based on the assumption that all of the Subscription Undertaking Shares are issued at a Subscription Undertaking Base Price equal to the 30 Day VWAP on the Last Practicable Date less 10%, being R29.01 per Subscription Undertaking Share, an aggregate of 25 855 828 Subscription Undertaking Shares will be issued to Lebashe Financial Services. For the avoidance of doubt, the actual number of Subscription Undertaking Shares that will ultimately be issued to Lebashe Financial Services is dependent on the Subscription Undertaking Base Price.

5.6.4 Following the implementation of the Subscription Undertaking in full, EOH's BEE ownership will further increase by approximately 11.4%⁴, resulting in an aggregate increase in EOH's BEE ownership of 32.6%⁴ following the implementation of the Initial Subscription, A Share Issue and Subscription Undertaking.

5.6.5 Unlike the Subscription EOH Ordinary Shares issued pursuant to the Initial Subscription, the Subscription Undertaking Shares issued pursuant to the Subscription Undertaking will not be subject to any disposal or encumbrance restrictions.

5.6.6 The Subscription Undertaking will constitute a specific issue of shares for cash by EOH, as contemplated in paragraph 5.51 of the Listings Requirements and therefore is subject to, *inter alia*, the adoption of an Ordinary Resolution by the requisite majority of Shareholders at the General Meeting (excluding Lebashe and its associates), being a 75% majority of the votes cast in favour of the Resolution.

5.6.7 Upon implementation of the Subscription Undertaking, application will be made to the JSE for the listing of the relevant Subscription Undertaking Shares on the Exchange.

5.7 MOI Amendments

5.7.1 In order to, *inter alia*, implement the BEE Transaction, EOH is required to create a new class of shares, by creating 40 000 000 EOH A Shares and to reflect such authorised share capital and the terms of such new EOH A Shares in the EOH MOI, by way of an amendment to the EOH MOI.

5.7.2 EOH also proposes additional amendments to align the EOH MOI with the latest regulatory requirements applicable to EOH, as detailed in annexure 5 to this Circular.

5.7.3 The MOI Amendments are subject to, *inter alia*, the adoption of a Special Resolution by the requisite majority of Shareholders at the General Meeting, being at least 75% of the votes cast in favour of the Resolution and shall be implemented by way of substituting the current EOH MOI with the New EOH MOI.

5.8 Ancillary arrangements

5.8.1 Lock-in

5.8.1.1 For the duration of the Transaction Term, and subject to the provisions of the Relationship Agreement and the Lebashe Pledge and Cession Agreement, BEE SPV 1 has undertaken not to dispose of or encumber the EOH Ordinary Shares held by it or vote in favour of a transaction which will have the effect of BEE SPV 1 disposing of or encumbering the EOH Ordinary Shares held by it, other than:

5.8.1.1.1 pursuant to and in terms of an "offer" (as defined in section 117(1)(f) of the Companies Act) in terms of which (i) if any person, acting alone or in concert with any other person, makes

⁴ Based on total EOH Shares (comprising EOH Ordinary Shares and EOH A Shares) in issue following the issue of 8 107 933 Subscription EOH Ordinary Shares (based on the 60 Day VWAP on the Last Practicable Date less 10%, being R30.83 per Subscription EOH Ordinary Share), 40 000 000 Subscription EOH A Shares and 25 855 828 Subscription Undertaking Shares in full (based on the 30 Day VWAP on the Last Practicable Date less 10%, being R29.01 per Subscription Undertaking Share).

an offer to acquire all of the EOH Shares in issue, which if approved or accepted, would result in such persons acquiring all of the EOH Shares in issue, and (ii) the independent board of EOH recommends to the holders of EOH Shares that they accept such offer, and provided that BEE SPV 2 accepts such offer in respect of all of the EOH A Shares held by BEE SPV 2; or

5.8.1.1.2 in favour of one or more other funders who (i) qualify as a BEE Company (as envisaged in the Relationship Agreement); (ii) agree to only exercise their security over the EOH Ordinary Shares after expiry of the Transaction Term; or (iii) agree to procure that, pursuant to the exercise of the security, the EOH Ordinary Shares are only disposed of to another BEE Company, for the duration of the Transaction Term.

5.8.1.2 For the duration of the Transaction Term and subject to the provisions of the Relationship Agreement and the Lebashe Pledge and Cession Agreement, BEE SPV 2 has undertaken not to dispose of or encumber the EOH A Shares held by it or vote in favour of a transaction which will have the effect of BEE SPV 2 disposing of or encumbering the EOH A Shares held by it, other than:

5.8.1.2.1 pursuant to and in terms of an “offer” (as defined in section 117(1)(f) of the Companies Act) in terms of which (i) if any person, acting alone or in concert with any other person, makes an offer to acquire all of the EOH Shares in issue, which if approved or accepted, would result in such persons acquiring all of the EOH Shares in issue, and (ii) the independent board of EOH recommends to the holders of EOH Shares that they accept such offer, and provided that BEE SPV 1 accepts such offer in respect of all of the EOH Ordinary Shares held by BEE SPV 1; or

5.8.1.2.2 to EOH pursuant to an Early Redemption Notice or the BEE SPV 2 Pledge and Cession Agreement.

5.8.1.3 Furthermore, BEE SPV 1 and BEE SPV 2 shall not enter into any profit sharing arrangements or grant any rights over any of the EOH Shares held by them, as the case may be, to any third party other than as envisaged in paragraphs 5.8.1.1 and 5.8.1.2 of this Circular and the provisions of the Relationship Agreement.

5.8.1.4 For the duration of the Transaction Term:

5.8.1.4.1 BEE SPV 2 has undertaken not to dispose of or encumber the shares held by it in BEE SPV 1 or vote in favour of a transaction which will have the effect of BEE SPV 2 disposing of or encumbering such shares, other than in accordance with the provisions of the Relationship Agreement or the Lebashe Pledge and Cession Agreement;

5.8.1.4.2 Lebashe Financial Services has undertaken not to dispose of or encumber the shares held by it in BEE SPV 2 or vote in favour of a transaction which will have the effect of Lebashe Financial Services disposing of or encumbering such shares, other than in accordance with the provisions of the Relationship Agreement or the Lebashe Pledge and Cession Agreement; and

5.8.1.4.3 Lebashe Holdco has undertaken to hold 51% or more of the shares in Lebashe Financial Services, not to dispose of or encumber nor vote in favour of a transaction which will have the effect of Lebashe Holdco disposing of or encumbering such number of shares in Lebashe Financial Services that may result in Lebashe Holdco holding less than 51% of the shares in Lebashe Financial Services.

5.8.2 Security

5.8.2.1 Pursuant to the BEE SPV 2 Guarantee, BEE SPV 2 will guarantee compliance by Lebashe Holdco, Lebashe Financial Services and BEE SPV 1 with their respective obligations in terms of the relevant Transaction Documents (other than the Subscription Undertaking Agreement).

5.8.2.2 The obligations of BEE SPV 2 in terms of the Transaction Documents (other than the Subscription Undertaking Agreement) will be secured by way of the BEE SPV 2 Pledge and Cession Agreement, in terms of which BEE SPV 2 will pledge and cede in *securitatem debiti* all of the EOH A Shares held by it to and in favour of EOH.

5.8.2.3 The obligations of Lebashe Financial Services in terms of the Transaction Documents (other than the Subscription Undertaking Agreement) will be secured by way of the Lebashe Pledge and Cession Agreement, in terms of which Lebashe Financial Services will pledge and cede in *securitatem debiti* all of the shares held by it in BEE SPV 2 to and in favour of EOH. Simultaneously, BEE SPV 2 shall, and Lebashe Financial Services shall procure that BEE SPV 2, declare and distribute all of the shares held by it in BEE SPV 1 to Lebashe Financial Services as a dividend *in specie*.

5.8.3 Deemed Offer

Upon the occurrence of a Trigger Event, without prejudice to any other remedies which EOH may be entitled to in terms of the Relationship Agreement, the other Transaction Documents or in law, Lebashe Financial Services shall be deemed to have offered all the shares held by it in BEE SPV 2 for sale to EOH and / or one or more person nominated by EOH at an aggregate nominal purchase consideration of R1.00, on the day immediately preceding the day on which the relevant Trigger Event occurred on the terms and conditions set out in the Relationship Agreement. Simultaneously, BEE SPV 2 shall, and each of the BEE Parties shall procure that BEE SPV 2, declare and distribute all of the shares held by it in BEE SPV 1 to Lebashe Financial Services as a dividend *in specie*.

5.8.4 **Breach**

For so long as any BEE Party is in breach of any provision of any of the Transaction Documents to which it is a party and provided that such breach does not constitute a Trigger Event or a Subscription Undertaking Breach, as the case may be, then any Distributions in respect of the EOH Shares held by BEE SPV 1 or BEE SPV 2 shall be retained by EOH and not paid to BEE SPV 1 and / or BEE SPV 2, as the case may be, until such time as the breach has been remedied.

Upon the occurrence of a Trigger Event, without prejudice to any other remedies which EOH may be entitled to in terms of the Relationship Agreement, the other Transaction Documents or in law:

5.8.4.1 at EOH's election, any Distributions in respect of any or all of the EOH Shares held by BEE SPV 1 or BEE SPV 2 will be forfeited to EOH (regardless of whether the Trigger Event is continuing or has been remedied); and

5.8.4.2 EOH will be entitled to redeem, at its election and from time to time, all or some of the EOH A Shares held by BEE SPV 2 for an aggregate nominal amount of R1.00, upon delivery of an Early Redemption Notice to Lebashe Holdco to such effect, from time to time.

5.8.5 **Subscription Undertaking Breach**

In the event that Lebashe Financial Services fails to subscribe for (i) the First Tranche on the Implementation Date; (ii) the Second Tranche within the Second Tranche Subscription Period and / or (iii) the Third Tranche within the Third Tranche Subscription Period ("**Subscription Undertaking Breach**"), as the case may be:

5.8.5.1 at EOH's election, any Distributions in respect of all or some of the EOH A Shares held by BEE SPV 2 will be forfeited to EOH, which number of EOH A Shares shall be determined in accordance with the following formula, pursuant to a Subscription Undertaking Breach in respect of each of the First Tranche, Second Tranche and / or Third Tranche, rounded up or down, as the case may be:

$$\frac{250\,000\,000 - A}{250\,000\,000} \times 10\,000\,000$$

where, in the case where the formula is applied in respect of:

(i) the First Tranche, A = 0;

(ii) the Second Tranche, A = the Second Tranche Partial Subscription Price Aggregate; and / or

(iii) the Third Tranche, A = the Third Tranche Partial Subscription Price Aggregate; and

5.8.5.2 EOH will be entitled to redeem, at its election and from time to time, all or some of a number of EOH A Shares held by BEE SPV 2 for an aggregate nominal amount of R1.00, which number of EOH A Shares shall be determined in accordance with the formula envisaged in paragraph 5.8.5.1 of this Circular, pursuant to a Subscription Undertaking Breach in respect of each of the First Tranche, Second Tranche and / or Third Tranche, rounded up or down, as the case may be, upon delivery of an Early Redemption Notice to Lebashe Holdco to such effect, from time to time.

5.8.6 **Government Body or Politically Linked Person**

For the entire duration of the Transaction Term and at any time within the 5 years immediately preceding the Implementation Date, none of the BEE Parties, nor any of their directors, beneficiaries, nor any related persons or inter-related persons of the BEE Parties, its directors or beneficiaries, were, are or will be a Governmental Body nor a Politically Linked Person (as defined in the Relationship Agreement), save in respect of Mr Jabu Moleketi holding a position of non-executive director of the Development Bank of Southern Africa.

5.8.7 **BEE ownership**

For the duration of the Transaction Term, each of the BEE Parties warrants, represents and undertakes in favour of EOH, *inter alia*, that:

5.8.7.1 in respect of each BEE Party other than Lebashe Holdco, it is and shall be and remain a BEE Company (as envisaged in the Relationship Agreement);

5.8.7.2 in respect of Lebashe Holdco, it is and shall be and remain a Majority BEE Company (as envisaged in the Relationship Agreement); and

5.8.7.3 it shall, at the reasonable request of EOH, do all things reasonably necessary and assist EOH in procuring that the BEE Transaction is recognised as achieving at least 20% ownership by Black Persons (as envisaged in the BEE Laws) in EOH.

5.8.8 **Board appointment recommendation**

Following the implementation of the BEE Transaction, Lebashe Holdco will be entitled to recommend up to 2 persons for appointment to the EOH Board, from time to time, upon written notice to EOH and on the basis that:

5.8.8.1 the EOH Board will consider the nominated persons and, if such persons are reasonably acceptable to the EOH Board, the EOH Board may resolve to appoint such persons as Directors of EOH; and

5.8.8.2 if such persons are appointed to the EOH Board in terms of paragraph 5.8.8.1 of this Circular, EOH will propose that the EOH Shareholders approve such appointments at the succeeding annual general meeting of EOH Shareholders.

5.9 Conditions Precedent

- 5.9.1 Implementation of the BEE Transaction, the Capitalisation Issue and the MOI Amendments are subject to the fulfilment, by no later than 30 September 2018 or such later date as agreed between EOH and Lebashe, of the following Conditions Precedent:
- 5.9.1.1 all the Transaction Agreements become unconditionally operative in accordance with their respective terms;
 - 5.9.1.2 all the Resolutions required to implement the BEE Transaction, the Capitalisation Issue and the MOI Amendments, as detailed in the Notice of General Meeting, are adopted by the requisite majority of Shareholders at the General Meeting;
 - 5.9.1.3 the Special Resolutions giving effect to the MOI Amendments and / or the New EOH MOI are fully filed with the CIPC; and
 - 5.9.1.4 the EOH Funding Agreements are duly amended to the extent necessary in order to enable EOH to implement the BEE Transaction.
- 5.9.2 The Conditions Precedent are not capable of being waived, however the date by which the Conditions Precedent should be fulfilled may be amended by EOH and Lebashe, by written agreement.
- 5.9.3 In the event that the Conditions Precedent are not fulfilled, the BEE Transaction, Capitalisation Issue and MOI Amendments will not be implemented and shall be of no force or effect.

5.10 Board recommendation in regard to the BEE Transaction, Capitalisation Issue and MOI Amendments

- 5.10.1 The Board has considered the terms of the BEE Transaction, including the Capitalisation Issue and the MOI Amendments, and recommends that Shareholders vote in favour of the Resolutions, as set out in the Notice of General Meeting.
- 5.10.2 All Directors who hold EOH Ordinary Shares, directly or indirectly, who are eligible to vote, intend to vote in favour of the Resolutions.

6. SUMMARY OF THE TRANSACTION AGREEMENTS

The table below sets out a summary of the agreements between EOH and Lebashe in relation to the BEE Transaction.

Agreement	Date	Description
BEE SPV 2 Guarantee	27 July 2018	the agreement entered into between EOH and BEE SPV 2, in terms of which BEE SPV 2 guarantees the compliance by BEE SPV 1, Lebashe Holdco and Lebashe Financial Services with their respective obligations in terms of the Transaction Documents (other than the Subscription Undertaking Agreement).
BEE SPV 2 Pledge and Cession Agreement	27 July 2018	the agreement entered into between EOH and BEE SPV 2, in terms of which BEE SPV 2 pledges and cedes <i>in securitatem debiti</i> the Subscription EOH A Shares, and any additional EOH A Shares held by it, in favour of EOH as security for its obligations in terms of the Transaction Documents (other than the Subscription Undertaking Agreement).
Lebashe Pledge and Cession Agreement	27 July 2018	the agreement entered into between EOH, Lebashe Financial Services, BEE SPV 1 and BEE SPV 2 in terms of which Lebashe Financial Services pledges and cedes <i>in securitatem debiti</i> all of the shares held by it in BEE SPV 2 to and in favour of EOH as security for its obligations in terms of the Transaction Documents (other than the Subscription Undertaking Agreement).
Relationship Agreement	27 July 2018	the agreement entered into between EOH and the BEE Parties in terms of which, <i>inter alia</i> , the relationship between EOH and the BEE Parties in respect of the BEE Transaction will be governed.
Subscription Agreement	27 July 2018	the agreement entered into between, amongst others, BEE SPV 1, BEE SPV 2, Lebashe Financial Services and EOH, in terms of which, <i>inter alia</i> , on the Implementation Date, BEE SPV 1 and BEE SPV 2 will subscribe for the Subscription EOH Ordinary Shares and the Subscription EOH A Shares, respectively.
Subscription Undertaking Agreement	27 July 2018	the agreement entered into between Lebashe Financial Services and EOH, in terms of which, <i>inter alia</i> , Lebashe Financial Services will undertake to subscribe for the Subscription Undertaking Shares.

7. PRO FORMA FINANCIAL EFFECTS

The *pro forma* financial effects of the BEE Transaction and the Capitalisation Issue, which illustrate the effect of the BEE Transaction and the Capitalisation Issue on the published, unaudited consolidated financial statements of EOH for the 6 month period ended 31 January 2018 and the independent reporting accountants' reasonable assurance report thereon are set out in annexures 3 and 4 to this Circular.

8. NATURE OF THE BUSINESS AND PROSPECTS

- 8.1 EOH, Africa's largest technology service provider, provides the technology, knowledge, skills and organisational ability critical to Africa's development and growth. Following the consulting, technology and outsourcing model, EOH provides high value, end-to-end solutions to clients in all industry verticals.
- 8.2 EOH delivers these services to over 5 000 large enterprise customers across all major industries throughout South Africa, Africa and the Middle East. EOH is present in 134 locations in South Africa and has a growing international footprint with over 36 points of presence in the rest of Africa and internationally.
- 8.3 With its substantial footprint in Africa, EOH has been able to acquire a deep understanding of the requirements of markets across a variety of geographies on the continent. This experience enables EOH to offer customers flexible and robust solutions to the unique challenges and opportunities that face countries in Africa.
- 8.4 Since inception, EOH has delivered strong compounded year-on-year revenue growth. Notwithstanding its size, EOH remains entrepreneurial. It has a strong brand and continues to develop new products and services and to expand into new territories.
- 8.5 EOH has implemented a new business strategy repositioning its operations into two distinct and independent businesses, each with its own unique brand and identity, business model, growth and go-to-market strategies. The Information and Communication Technology business will operate under the EOH brand. The specialised solutions for high-growth industries businesses, will operate under the newly launched NEXTEC brand. This new business model enables the Group to optimally position the business for future growth, bring clarity of brand and identity in the market and ultimately simplify the business.
- 8.6 EOH is committed to transformation and is currently a Level 1 contributor and has one of the highest Broad-Based Black Economic Empowerment ratings among its peers on the Exchange.

9. SHARE CAPITAL AND SHARE PRICE INFORMATION

- 9.1 The authorised and issued share capital of EOH as at the Last Practicable Date is set out below:

	Number of EOH Shares	R'000
Authorised		
EOH Ordinary Shares of no par value	500 000 000	
Issued		
EOH Ordinary Shares [^]	152 797 293	4 071 992

[^] Includes Treasury Shares of 7 696 935 EOH Ordinary Shares.

- 9.2 The authorised and issued share capital of EOH following the implementation of the BEE Transaction, which includes the issue of 8 107 933 Subscription EOH Ordinary Shares (based on the 60 Day VWAP on the Last Practicable Date less 10%, being R30.83 per Subscription EOH Ordinary Share), 40 000 000 Subscription EOH A Shares and 25 855 828 Subscription Undertaking Shares (based on the 30 Day VWAP on the Last Practicable Date less 10%, being R29.01 per Subscription Undertaking Share), is set out below:

	Number of EOH Shares	R'000
Authorised		
EOH Ordinary Shares of no par value	500 000 000	
EOH A Shares	40 000 000	
Issued		
EOH Ordinary Shares [^]	186 761 054 ⁺	5 071 912
EOH A Shares	40 000 000	*

[^] Includes Treasury Shares of 7 696 935 EOH Ordinary Shares.

⁺ The number of Subscription EOH Ordinary Shares that will be issued is dependent on the Initial Subscription Base Price.

* Less than R1 000.

- 9.3 The authorised and issued share capital of EOH following the implementation of the BEE Transaction and the Capitalisation Issue, which includes the issue of the Subscription EOH Ordinary Shares, Subscription EOH A Shares and the Subscription Undertaking Shares, as detailed in paragraph 9.2 of this Circular, and the issue of 10 000 000 Capitalisation Shares (based on the assumptions that Lebashe holds 40 000 000 EOH A Shares on the Maturity Date, no dividend is declared and paid by EOH in respect of an EOH Ordinary Share for the duration of the Transaction Term and a 30 Day VWAP of R120 per EOH Ordinary Share on the Maturity Date) and the redemption of 40 000 000 Subscription EOH A Shares is set out below:

	Number of EOH Shares	R'000
Authorised		
EOH Ordinary Shares of no par value	500 000 000	
EOH A Shares	40 000 000	
Issued		
EOH Ordinary Shares [^]	196 761 054 ⁺	5 071 912
EOH A Shares	-	-

[^] Includes Treasury Shares of 7 696 935 EOH Subscription Ordinary Shares.

⁺ The number of Subscription EOH Ordinary Shares and Subscription Undertaking Shares that will be issued is dependent on the Initial Subscription Base Price and the Subscription Undertaking Base Price, respectively.

- 9.4 A table setting out the price and trading history of the EOH Ordinary Shares on the Exchange is included in annexure 6 to this Circular.

10. INFORMATION RELATING TO DIRECTORS

10.1 Details of the directors of the EOH Group

- 10.1.1 The table below provides details of the directors of EOH and its major Subsidiary as at the Last Practicable Date.

Name	Function	Business Address
Executive Directors of EOH		
Zunaid Mayet*	Group Chief Executive Officer	Registered office of EOH
John King*	Group Financial Director	Registered office of EOH
Tebogo Maenetja	Executive Director – Group Human Resources and Transformation	Registered office of EOH
Non-Executive Directors of EOH		
Asher Bohbot	Non-Executive Chairman	Registered office of EOH
Robert Sporen [^]	Lead Independent Non-Executive Director	Registered office of EOH
Tshilidzi Marwala	Independent Non-Executive Director	Registered office of EOH
Pumeza Bam	Non-Executive Director	Registered office of EOH
Moretlo Molefi	Independent Non-Executive Director	Registered office of EOH
Jesmane Boggenpoel	Independent Non-Executive Director	Registered office of EOH
Ismail Mamoojee	Independent Non-Executive Director	Registered office of EOH
Directors of EOH's Major Subsidiary		
Dion Ramoo	Director – EOH Mthombo Proprietary Limited	Registered office of EOH
Robert Godlonton	Director – EOH Mthombo Proprietary Limited	Registered office of EOH
Ebrahim Laher	Director – EOH Mthombo Proprietary Limited	Registered office of EOH

* Also a director of EOH Mthombo Proprietary Limited, a major Subsidiary of EOH.

[^] Dutch

- 10.1.2 As published on SENS, the changes to the Board, between the financial year ended 31 July 2017 and the Last Practicable Date, were as follows:

- 10.1.2.1 Mr Sandile DM Zungu resigned as Non-Executive Chairman of EOH on 12 March 2018.
- 10.1.2.2 Mr Asher Bohbot, the founder and former Chief Executive Officer of EOH, was appointed as Non-Executive Chairman on 12 March 2018.
- 10.1.2.3 Ms Grathel Motau resigned as a Non-Executive Director of EOH on 12 March 2018.
- 10.1.2.4 Ms Tebogo Maenetja was appointed as an Executive Director of EOH, responsible for Group Human Resources and Transformation on 12 March 2018.
- 10.1.2.5 Mr Robert Godlonton resigned as an Executive Director of EOH on 1 July 2018, but will continue in his executive role in the business (Information and Communication Technology Division).
- 10.1.2.6 Ms Jesmane Boggenpoel was appointed as Independent Non-Executive Director of EOH on 1 July 2018.
- 10.1.2.7 Mr Ismail Mamoojee was appointed as Independent Non-Executive Director of EOH on 1 July 2018.

- 10.1.2.8 Mr Lucky Khumalo resigned as a Non-Executive Director of EOH on 1 July 2018.
- 10.1.2.9 Mr Jehan Mackay resigned as an Executive Director of EOH on 1 July 2018, but will continue in his executive role in the business (Public Services Division).
- 10.1.2.10 Mr Brian Gubbins resigned as an Executive Director of EOH on 1 July 2018, but will continue in his executive role in the business (Group Business Development).
- 10.1.2.11 Mr Ebrahim Laher resigned as an Executive Director of EOH on 1 July 2018, but will continue in his executive role in the business (International Division).
- 10.1.2.12 Mr Johan van Jaarsveld resigned as an Executive Director of EOH on 1 July 2018.
- 10.1.3 The remuneration payable to the Directors (further details of which are included in EOH's 2017 Annual Integrated Report) will not be varied as a consequence of the BEE Transaction.
- 10.1.4 For further information regarding the Directors please refer to EOH's 2017 Annual Integrated Report.

10.2 Directors' interest

- 10.2.1 The beneficial interests of the Directors (including those who resigned during the 18 months prior to the Last Practicable Date) and their associates, directly or indirectly, in EOH Ordinary Shares, as at 31 July 2017 are as follows:

	Direct Interest <i>Number of EOH Ordinary Shares</i>	Indirect interest <i>Number of EOH Ordinary Shares</i>	Total <i>Number of EOH Ordinary Shares</i>
Executive Directors			
Zunaid Mayet	227 349	105 000	332 349
John King	305 542	272 765	578 307
Robert Godlonton ⁵	619 364	4 500	623 864
Johan van Jaarsveld ⁴	–	206 200	206 200
Ebrahim Laher ⁵	652 259	63 331	715 590
Jehan Mackay ⁵	29 692	7 143 859	7 173 551
Tebogo Maenetja	–	–	–
Brain Gubbins ⁵	–	–	–
Non-Executive Directors			
Sandile Zungu ¹	1 200	–	1 200
Asher Bohbot ²	–	6 557 625	6 557 625
Robert Sporen	–	85 000	85 000
Tshilidzi Marwala	9 900	–	9 900
Pumeza Bam	23 477	–	23 477
Lucky Khumalo ⁴	10 000	–	10 000
Moretlo Molefi	–	–	–
Grathel Motau ¹	–	–	–
Jesmane Boggenpoel ³	–	–	–
Ismail Mamojee ³	–	–	–
	1 878 783	14 438 280	16 317 063

Notes:

1. Resigned from the Board, effective 12 March 2018.
2. Appointed to the Board, effective 12 March 2018.
3. Appointed to the Board, effective 1 July 2018.
4. Resigned from the Board, effective 1 July 2018.
5. Resigned from the Board, effective 1 July 2018, but will continue in his executive role in the business.

- 10.2.2 Between the end of EOH's financial year ended 31 July 2017 and the Last Practicable Date, the following changes in the beneficial interests of the Directors (including those who resigned during the 18 months prior to the Last Practicable Date) and their associates, directly or indirectly, in the issued EOH Ordinary Share capital, occurred:

- 10.2.2.1 Mr Jehan Mackay disposed of 4 004 225 EOH Ordinary Shares;
- 10.2.2.2 Mr Johan van Jaarsveld disposed of 8 547 EOH Ordinary Shares;
- 10.2.2.3 Mr John King disposed of 294 321 EOH Ordinary Shares;
- 10.2.2.4 Mr Jehan Mackay acquired 90 000 EOH Ordinary Shares;
- 10.2.2.5 Mr Lucky Khumalo acquired 5 000 EOH Ordinary Shares;
- 10.2.2.6 Mr Tshilidzi Marwala acquired 5 000 EOH Ordinary Shares;
- 10.2.2.7 Ms Grathel Motau acquired 5 000 EOH Ordinary Shares; and
- 10.2.2.8 Mr Robert Sporen acquired 5 000 EOH Ordinary Shares.

- 10.2.3 The beneficial interests of the Directors (including those who resigned during the 18 months prior to the Last Practicable Date) and their associates, directly or indirectly, in EOH Ordinary Shares, as at the Last Practicable Date are as follows:

	Shareholding			
	Number of EOH Ordinary Shares	% as at the Last Practicable Date ⁶	% after the BEE Transaction ⁷	% after the Capitalisation Issue ⁸
Executive Directors				
Zunaid Mayet	332 349	0.22	0.18	0.17
John King	283 986	0.19	0.15	0.14
Robert Godlonton ⁵	623 864	0.41	0.33	0.32
Johan van Jaarsveld ⁴	197 653	0.13	0.11	0.10
Ebrahim Laher ⁵	715 590	0.47	0.38	0.36
Jehan Mackay ⁵	3 259 326	2.13	1.75	1.66
Tebogo Maenetja	–	–	–	–
Brain Gubbins ⁵	–	–	–	–
Non-Executive Directors				
Sandile Zungu ¹	1 200	0.00	0.00	0.00
Asher Bohbot ²	6 557 625	4.29	3.51	3.33
Robert Sporen	90 000	0.06	0.05	0.05
Tshilidzi Marwala	14 900	0.01	0.01	0.01
Pumeza Bam	23 477	0.02	0.01	0.01
Lucky Khumalo ⁴	15 000	0.01	0.01	0.01
Moretlo Molefi	–	–	–	–
Grathel Motau ¹	5 000	0.00	0.00	0.00
Jesmane Boggenpoel ³	–	–	–	–
Ismail Mamojee ³	–	–	–	–
	12 119 970	7.93	6.49	6.16

Notes:

1. Resigned from the Board, effective 12 March 2018.
2. Appointed to the Board, effective 12 March 2018.
3. Appointed to the Board, effective 1 July 2018.
4. Resigned from the Board, effective 1 July 2018.
5. Resigned from the Board, effective 1 July 2018, but will continue in his executive role in the business.
6. Based on total EOH Ordinary Shares in issue (including Treasury Shares), amounting to 152 797 293 EOH Ordinary Shares.
7. Based on total EOH Ordinary Shares in issue (including Treasury Shares) following the issue of 8 107 933 Subscription EOH Ordinary Shares (based on the 60 Day VWAP on the Last Practicable Date less 10%, being R30.83 per Subscription EOH Ordinary Share) and 25 855 828 Subscription Undertaking Shares (based on the 30 Day VWAP on the Last Practicable Date less 10%, being R29.01 per Subscription Undertaking Share). The number of Subscription EOH Ordinary Shares and Subscription Undertaking Shares that will ultimately be issued is dependent on the Initial Subscription Base Price and the Subscription Undertaking Base Price, respectively.
8. Based on total EOH Ordinary Shares in issue (including Treasury Shares) following the issue of the Subscription EOH Ordinary Shares and Subscription Undertaking Shares in note 7 above and the issue of 10 000 000 Capitalisation Shares (based on the assumptions that Lebashe holds 40 000 000 EOH A Shares on the Maturity Date, no dividend is declared and paid by EOH in respect of an EOH Ordinary Share for the duration of the Transaction Term and a 30 Day VWAP of R120 per EOH Ordinary Share on the Maturity Date).

- 10.2.4 A summary of EOH's share incentive schemes and the Directors' interests therein is included in EOH's 2017 Annual Integrated Report.

- 10.2.5 None of the Directors (including those who resigned during the 18 months prior to the Last Practicable Date) had any material beneficial interest, whether direct or indirect, in transactions that were effected by EOH during the current or immediately preceding financial year or during an earlier financial year which remain in any respect outstanding or unperformed.

11. LITIGATION

The Board is not aware of any legal or arbitration proceedings, including any such proceedings that are pending or threatened, that may have or have had in the recent past, being at least the previous 12 months prior to the Last Practicable Date, a material effect on the EOH Groups' financial position.

12. CORPORATE GOVERNANCE

- 12.1 EOH adheres to the principles of King IV Report on Corporate Governance for South Africa, 2016 (“**King IV**”).
- 12.2 The Board is committed to high levels of corporate governance and has implemented and continues to refine structures, policies and procedures aimed at strengthening governance throughout EOH. Corporate governance is integral to EOH’s business philosophy of ethical leadership.
- 12.3 For further information regarding EOH’s application of the principles of King IV, please refer to pages 34 to 59 of EOH’s 2017 Annual Integrated Report.

13. EXPENSES

The expenses relating to the BEE Transaction, all of which are exclusive of VAT and disbursements, are estimated to be R55.35 million, comprised as follows:

	R’000 (excluding VAT)
Corporate Advisor – One Capital Advisory Proprietary Limited	48 450
Transaction Sponsor – One Capital Sponsor Services Proprietary Limited	300
Attorneys – Cliffe Dekker Hofmeyr Inc.	5 000
Independent Auditors and Reporting Accountants – Mazars (Gauteng) Inc.	450
Independent Expert – BDO Corporate Finance Proprietary Limited	250
Transfer Secretaries – Computershare Investor Services Proprietary Limited	30
Documentation fee – JSE	100
Listing fee – JSE	416
Printing and publishing costs – Greymatter & Finch	300
Other	54
Total	55 350

14. GENERAL MEETING

- 14.1 The General Meeting of EOH Shareholders will be held at the registered office of the Company, at EOH Business Park, Ground Floor, Block D, 1 Osborne Lane, Gillooly’s View, Bedfordview on Tuesday, 18 September 2018 at 14h00 to consider and, if deemed fit, pass the Resolutions set out in the Notice of General Meeting attached to this Circular, with or without modification.
- 14.2 The Notice of General Meeting and a Form of Proxy, for use by Certificated Shareholders and Dematerialised Shareholders with “*own name*” registration who are unable to attend the General Meeting in person, are attached to this Circular.
- 14.3 A duly completed Form of Proxy must be received by the Transfer Secretaries by not later than 48 hours prior to the General Meeting, being 14:00 on Friday, 14 September 2018 or handed to the chairman of the General Meeting before the appointed proxy exercises any of the relevant Shareholder’s rights at the General Meeting (or any postponement or adjournment of the General Meeting).
- 14.4 Shareholders are referred to the Notice of General Meeting attached to this Circular for details on the Resolutions to be proposed at the General Meeting and to the “*Action required by Shareholders*” section on page 3 of this Circular for information on the procedure to be followed by Shareholders in order to exercise their votes at the General Meeting.

15. OPINION OF THE INDEPENDENT EXPERT

- 15.1 The JSE has granted a dispensation in respect of the application of paragraph 4.24 of the Listings Requirements in regard to the A Share Issue whereby EOH A Shares, which will be unlisted and which will carry full voting rights, will be issued to Lebashe. In granting the dispensation, the JSE requires a fairness opinion to be provided to Shareholders in this regard.
- 15.2 The Board appointed BDO Corporate Finance as the independent expert for purposes of providing Shareholders with independent external advice in regard to the fairness of the A Share Issue. The Independent Expert has considered the terms and conditions of the A Share Issue and has concluded that the A Share Issue is fair to Shareholders.
- 15.3 The Independent Expert Report is contained in annexure 1 to this Circular.

16. DIRECTORS’ RESPONSIBILITY STATEMENT

The Directors, whose names appear on page 11 of this Circular, collectively and individually, accept full responsibility for the accuracy of the information given and certify that to the best of their knowledge and belief there are no facts that have been omitted that would make any statement in this Circular 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.

17. CONSENTS

Each of the corporate advisor, transaction sponsor, attorneys, independent auditors and reporting accountant, Independent Expert and the Transfer Secretaries have consented and have not, prior to the Last Practicable Date, withdrawn their written consent to the inclusion of their names and, where applicable, reports in the form and context in which they appear in this Circular.

18. CONFLICT OF INTEREST

One Capital Sponsor Services Proprietary Limited (“**OCSS**”) hereby discloses that, in relation to the BEE Transaction, One Capital Advisory Proprietary Limited (“**OCA**”) fulfils the function of corporate advisor to EOH and OCSS fulfils the function of transaction sponsor to EOH. OCSS is a wholly owned subsidiary of OCA.

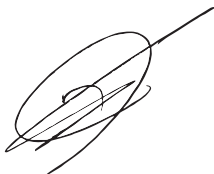
OCSS recognises its obligation to act with objectivity in relation to the performance of its function as transaction sponsor to EOH in relation to the BEE Transaction and has processes and procedures in place to manage any potential or perceived conflicts of interest arising from the above-mentioned.

19. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents will be available for inspection during normal business hours at the registered office of EOH, from Monday, 20 August 2018 up to and including the date of the General Meeting:

- 19.1 the Transaction Agreements;
- 19.2 the Independent Expert Report in respect of the A Share Issue, the text of which has been extracted and is included as annexure 1 to this Circular;
- 19.3 the EOH MOI and proposed MOI Amendments, as contained in the New EOH MOI;
- 19.4 the independent auditors and reporting accountants limited assurance report on the *pro forma* financial information, the text of which is included as annexure 4 to this Circular;
- 19.5 the annual integrated reports of EOH for the three years ended 31 July 2015, 31 July 2016 and 31 July 2017 and the published, unaudited interim financial results of EOH for the six months ended 31 January 2018;
- 19.6 the service contracts of the Directors;
- 19.7 the written consent of each of the advisors referred to in paragraph 17 of this Circular; and
- 19.8 this Circular.

Signed on behalf of the Board, who is duly authorised hereto in terms of a resolution passed by the Board



Zunaid Mayet

Tuesday, 14 August 2018

INDEPENDENT EXPERT REPORT

The definitions and interpretations commencing on page 5 of the Circular to which this annexure is attached, do not apply to this annexure.

The Directors
EOH Holdings Limited
EOH Business Park
Gillooly's View
Osborne Lane
Bedfordview
2007

14 August 2018

Dear Sirs

FAIRNESS OPINION TO EOH HOLDINGS LIMITED REGARDING A PROPOSED BLACK ECONOMIC EMPOWERMENT TRANSACTION

INTRODUCTION

In terms of announcements published by EOH Holdings Limited ("EOH" or "the Company") on the Stock Exchange News Service ("SENS") of the exchange operated by the JSE Limited ("JSE") on Monday, 12 March 2018 and Monday, 30 July 2018, holders of EOH ordinary shares of no par value ("EOH Ordinary Shares") ("EOH Shareholders") were advised that the Company had entered into various agreements with Lebashe Investment Group Proprietary Limited or one or more of its subsidiaries ("Lebashe") pursuant to which EOH and Lebashe agreed, subject to the fulfilment of certain conditions precedent, to conclude a Black Economic Empowerment ("BEE") transaction, whereby EOH would establish a strategic long-term partnership with Lebashe, thereby significantly enhancing EOH's BEE ownership credentials over a period of 10 years, at a minimum of 32.6% ¹ for the first 5 years following the implementation of the BEE transaction.

The BEE Transaction (as defined below) comprises, *inter alia*, three sequential and inter-conditional transaction components:

- The subscription by Lebashe, for new EOH Ordinary Shares at a 10% discount to the EOH 60-day volume weighted average price ("VWAP"), on the date immediately preceding the date on which EOH Shareholders pass the necessary resolutions to approve the BEE Transaction (the "Implementation Date"), for a total cash subscription price of R250 million ("Subscription EOH Ordinary Shares") to be held by Lebashe for the duration of the period commencing on the Implementation Date and terminating on the fifth anniversary thereof (the "Transaction Term"), ("Initial Subscription");
- The subscription by Lebashe, on the Implementation Date, for a new class of unlisted redeemable A shares in EOH ("EOH A Shares") in the authorised share capital of EOH, being 40 000 000 EOH A Shares for a nominal aggregate subscription price of R1 ("Subscription EOH A Shares") to be held by Lebashe for the duration of the Transaction Term ("A Share Issue"); and
- The undertaking by Lebashe to subscribe for additional new EOH Ordinary Shares, at a 10% discount to the EOH 30-day VWAP, for a total cash subscription price of R750 million over a 12-month period ("Subscription Undertaking").

The Initial Subscription, A Share Issue and Subscription Undertaking are inter-conditional and are hereafter collectively referred to as the "BEE Transaction".

For purposes of securing the BEE ownership credentials which shall accrue to EOH pursuant to the Initial Subscription and A Share Issue, Lebashe has undertaken, for the duration of the Transaction Term, not to dispose of nor encumber the Subscription EOH Ordinary Shares and Subscription EOH A Shares, other than as contemplated in paragraph 5.8.1 of the circular to EOH Shareholders to be dated on or about Monday, 20 August 2018 (the "Circular").

The Subscription EOH Ordinary Shares will rank *pari passu* with all other EOH Ordinary Shares and the holder of the Subscription EOH Ordinary Shares ("BEE SPV 1") will be entitled to receive all distributions made by EOH in respect of the Subscription EOH Ordinary Shares.

Each EOH A Share will rank *pari passu* with an EOH Ordinary Share in respect of voting rights. Each EOH A Share will receive cash dividends in an amount equal to the value of 15% of cash dividends paid by EOH in respect of an EOH Ordinary Share.

For the duration of the Transaction Term ("Lock-in Period"), BEE SPV 1 and the holder of the Subscription EOH A Shares ("BEE SPV 2") have undertaken not to dispose of or encumber the Subscription EOH Ordinary Shares and Subscription EOH A Shares held by them, respectively, or vote in favour of a transaction which will have the effect of BEE SPV 1 and BEE SPV 2 disposing of or encumbering the Subscription EOH Ordinary Shares or Subscription EOH A Shares held by them, respectively. BEE SPV 1 and BEE SPV 2 will be subject to further restrictions, as more fully set out in the Circular.

Full details of the BEE Transaction are contained in the Circular which will include a copy of this letter.

FAIRNESS OPINION REQUIRED IN TERMS OF THE JSE LISTINGS REQUIREMENTS

As a result of the dispensation granted by the JSE in respect of the application of paragraph 4.24 of the JSE Listings Requirements with regards to the EOH A Shares, which will be unlisted shares whilst carrying voting rights, the board of directors of EOH ("Board" or "Directors") is required to obtain written confirmation from an independent expert confirming whether the terms and conditions of the A Share Issue are fair insofar as the EOH Shareholders are concerned ("the Fairness Opinion").

BDO Corporate Finance Proprietary Limited ("BDO Corporate Finance") has been appointed by the Board to provide the Fairness Opinion with regard to the A Share Issue.

¹ Based on the assumption that the Subscription Undertaking is implemented in full on the Implementation Date and Lebashe holds such EOH Ordinary Shares issued pursuant to the Subscription Undertaking for the duration of the Transaction Term.

RESPONSIBILITY

Compliance with the JSE Listings Requirements is the responsibility of the Directors. Our responsibility is to report to the Directors and EOH Shareholders on the fairness of the terms of the A Share Issue.

EXPLANATION AS TO HOW THE TERM “FAIR” APPLIES IN THE CONTEXT OF THE TRANSACTION

Schedule 5.7 of the JSE Listings Requirements states that the “fairness” of a transaction is based on quantitative issues. A transaction will generally be considered fair to a company’s shareholders if the benefits received by shareholders, as a result of a corporate action, are equal to or greater than the value ceded by a company.

In determining the value received by EOH in terms of the A Share Issue we have considered the financial benefit expected to be derived from the A Share Issue, represented by the present value of the estimated impact on EOH’s future cash flows if the A Share Issue is concluded (the “Financial Benefit”). Against this, we have considered the cost of the A Share Issue, represented by the costs of the imputed option and present value of future dividends inherent in the A Share Issue funding structure and other relevant transaction costs (the “Economic Cost”).

In opining on whether or not the A Share Issue is fair to the EOH Shareholders, we have considered whether the Financial Benefit exceeds the Economic Cost of the A Share Issue. Since the A Share Issue is indivisible from the BEE Transaction, the A Share Issue cannot be opined upon without reference to the BEE Transaction.

DETAILS AND SOURCES OF INFORMATION

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

- The terms and conditions of the BEE Transaction, as set out in the Circular;
- Transaction documents provided by EOH’s transaction advisors setting out, *inter alia*, transaction steps and the rationale of the BEE Transaction;
- Annual Integrated Report of EOH for the year ended 31 July 2017;
- Unaudited condensed consolidated results of EOH for the six months ended 31 January 2018;
- EOH A Shares Black-Scholes option pricing model;
- Forecast financial information of EOH on a consolidated basis for the four-year period ending 31 July 2021 per consensus analysts’ forecasts for EOH, as published on Thomson Reuters;
- Precedent transactions of a similar nature;
- Discussions with Directors and EOH management regarding the historical and forecast financial information of EOH;
- Discussions with Directors and EOH management regarding the rationale for the BEE Transaction;
- Discussions with Directors and EOH management on prevailing market, economic, legal and other conditions which may affect underlying value;
- Share price information of EOH over the last 12 months to assess the liquidity and volatility of EOH Ordinary Shares; and
- Publicly available information relating to EOH, comparable publicly traded companies and the markets in which EOH and its peers operate.

The information above was secured from:

- Directors and management of EOH and their advisors; and
- Third party sources, including information related to publicly available economic, market and other data which we considered applicable to, or potentially influencing EOH.

PROCEDURES AND CONSIDERATION

In arriving at our opinion we have undertaken the following procedures and taken into account the following factors in evaluating the fairness of the A Share Issue:

- Reviewed the terms and conditions of the BEE Transaction;
- Reviewed the audited and unaudited financial information related to EOH, as detailed above;
- Reviewed the forecast information of EOH for the financial years ending 31 July 2018 – 2021 as per consensus analysts’ forecasts. Considered the forecast cash flows and the basis of the assumptions therein including the prospects of the business of EOH. This review included an assessment of the recent historical performance to date as well as the reasonableness of the outlook assumed based on discussions with management and assessed the achievability thereof by considering historical information as well as macro-economic and industry-specific data;
- Compiled consolidated forecast free cash flows for EOH pre-BEE Transaction by using the historical and forecast financial information as detailed above. Applied BDO Corporate Finance’s assumptions of cost of capital to the consolidated forecast cash flows to produce a consolidated discounted cash flow (“DCF”) valuation of EOH pre-BEE Transaction;
- Performed a sensitivity analysis on key assumptions included in the DCF valuation, specifically related to cost of capital and growth in the business of EOH;
- Prepared an estimate of the Financial Benefit to EOH of concluding the BEE Transaction. In determining this benefit, the following procedures were performed:
 - Through various discussions with management, assessed the risks to EOH of not concluding the BEE Transaction as well as the benefits of concluding the BEE Transaction;
 - Identified the mitigating factors that management could take to minimise the identified risks;
 - Based on the above, performed a quantification of the potential cash flow effects to EOH following conclusion of the BEE Transaction;
- Reviewed the estimate of the Economic Cost to EOH of concluding the BEE Transaction being the International Financial Reporting Standards 2 Share-based Payment (“IFRS 2”) cost and other transaction costs as detailed in the Circular and to the extent possible compared to market norms;
- Compared the 12-month historical share price movement of EOH Ordinary Shares to shares of comparable companies in order to assess the relative trading activities, liquidity and volatility of EOH Ordinary Shares;
- Reviewed the Codes of Good Practice published by the Department of Trade and Industry in terms of section 9 of the Broad-Based Black Economic Empowerment Act, 53 of 2003, as amended and replaced from time to time (“B-BBEE Codes”);
- Assessed the long-term potential of EOH;
- Evaluated the relative risks associated with EOH and the industry in which it operates;
- Reviewed certain publicly available information relating to EOH, comparable publicly traded companies and the industry in which the Company operates that we deemed to be relevant, including Company announcements and media articles, including available analyst coverage;

- Where relevant, representations made by EOH management and/or Directors and/or their advisors were corroborated to source documents or independent analytical procedures were performed by us, to examine and understand the industry in which EOH operates, and to analyse external factors that could influence the business of EOH;
- Performed such other studies and analyses as we considered appropriate and have taken into account 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 technology service industry generally; and
- Held discussions with EOH management regarding the past and current business operations, regulatory requirements, financial condition and future prospects of the Company and such other matters as we have deemed relevant to our inquiry.

ASSUMPTIONS

We arrived at our opinion based on the following assumptions:

- That all agreements that are to be entered into in terms of the BEE Transaction will be legally enforceable as against the relevant parties thereto;
- That the BEE Transaction will have the legal, accounting and taxation consequences described in the Circular and discussions with, and materials furnished to us by representatives and advisors of EOH; and
- That reliance can be placed on the financial information of EOH.

APPROPRIATENESS AND REASONABLENESS OF UNDERLYING INFORMATION AND ASSUMPTIONS

We satisfied ourselves as to the appropriateness and reasonableness of the information and assumptions employed in arriving at our opinion by:

- Placing reliance on audit reports in the financial statements of EOH;
- Conducting analytical reviews on the historical financial results and forecast financial information, such as key ratio and trend analyses; and
- Determining the extent to which representations from management were confirmed by documentary and audited financial evidence as well as our understanding of EOH and the economic environment in which the Company operates.

LIMITING CONDITIONS

This opinion is provided in connection with and for the purposes of the A Share Issue. The opinion does not purport to cater for each individual shareholder's perspective, but rather that of the general body of EOH Shareholders. Should an EOH Shareholder be in doubt as to what action to take, he or she should consult an independent advisor.

Individual EOH Shareholders' decisions regarding the A Share Issue may be influenced by such EOH Shareholder's particular circumstances and accordingly individual shareholders should consult an independent advisor if in any doubt as to the merits or otherwise of the A Share Issue.

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 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.

Where relevant, forward-looking information of EOH 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 EOH will correspond to those projected. We have however compared the forecast financial information to past trends as well as discussing the assumptions inherent therein with management.

We have also assumed that the A Share Issue will have the legal consequences described in discussions with, and materials furnished to us by representatives and advisors of EOH 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 us nor any person related to us (as contemplated in the JSE Listings Requirements), have any relationship with EOH or with any party involved in the A Share Issue as contemplated in paragraph 5.12 of Schedule 5 to the JSE Listings Requirements and have not had such relationship within the immediately preceding two years.

Furthermore, we confirm that our professional fees are not contingent upon the success of the A Share Issue. Our fees are not payable in shares.

VALUATION APPROACH

BDO Corporate Finance performed a valuation of EOH Ordinary Shares pre-BEE Transaction and a valuation of EOH Ordinary Shares post-BEE Transaction to determine whether the A Share Issue is fair to the EOH Shareholders.

Pre-BEE Transaction

The valuation of EOH was performed by applying the DCF methodology. In addition, we considered the market approach (based on financial data for comparable publicly traded companies) as a secondary methodology to support the results of the DCF valuation. The valuation of EOH was performed on a consolidated basis, using consolidated cash flow forecasts, per consensus analysts' forecasts.

The valuation was performed taking cognisance of risk and other market and industry factors affecting EOH. External value drivers include key macro-economic parameters such as, GDP growth (forecast to improve to 1.7% growth by 2019 from 1.3% in 2018), interest rates (the prime lending rate at 10.0% for the forecast period), headline inflation rates (4.8% in 2018 to deteriorate to 5.3% in 2019), and prevailing market and industry conditions were considered in assessing the forecast cash flows and risk profile of EOH.

Key internal value drivers comprise:

- Compound annual growth rate (“CAGR”) in revenue for the forecast period of 14.1%;
- Sustainable earnings before interest and tax (“EBIT”) margins of 10.5%; and
- A base case weighted average cost of capital (“WACC”) of 16.0%.

In addition, we performed a sensitivity analysis on key assumptions included in the DCF valuations, specifically related to cost of capital, growth in revenue and EBIT margins. The sensitivity analysis was performed by:

- increasing and decreasing the base case discount rate by a maximum of 1.0%;
- increasing and decreasing the CAGR by a maximum of 1.0%; and
- increasing and decreasing the EBIT margins by a maximum of 0.5%.

These sensitivity analyses did not indicate a sufficient effect to alter our opinion in respect of the A Share Issue.

Post-BEE Transaction

We determined the value of the EOH Ordinary Shares post-BEE Transaction by adjusting the value of the pre-BEE Transaction EOH Ordinary Shares with the costs and quantifiable benefits of the BEE Transaction.

We reviewed the transaction agreements and held discussions with management and their advisors as part of the procedures to determine the costs of implementing the BEE Transaction being the IFRS 2 cost in the amount of R215.47 million and EOH transaction costs of R55.35 million as detailed in the Circular.

We employed a Black-Scholes option pricing model to determine the IFRS 2 cost of the BEE Transaction. The Black-Scholes model is used to value a European-type option, i.e. an option that can only be exercised at maturity, and incorporates the constant price variation of the underlying equity instrument, the time value of money, the option’s strike price and the time to the option’s expiry. This model is appropriate if we assume that the transaction will unwind (i.e. BEE SPV 2 will simply surrender all of the Subscription EOH A Shares) only at the expiry period. Based on our discussions with EOH management, as there is the Lock-in Period of five years, the option inherent in the Subscription EOH A Shares can be considered as a European option.

Value drivers of the Black-Scholes option pricing model valuation include:

- the 30-day VWAP of an EOH Ordinary Share of R32.23 on Friday, 20 July 2018;
- a strike price of R90.00;
- a risk free rate of 7.88% based on the R206 South African Government Bond (being a medium-long term government bond) approximating the term of the Lock-in Period;
- the expected volatility of an EOH Ordinary Share of 35.75%;
- a dividend yield of 1.4%; and
- the Lock-in Period.

The key internal value driver is the amount of forecast dividends on EOH Ordinary Shares over the Lock-in Period.

Key external value drivers are forecast interest rates and the expected volatility of EOH Ordinary Shares.

In assessing the quantifiable benefits, we held discussions with management to identify and understand the impact on EOH if the BEE Transaction was not concluded. We also considered the cash injection from the BEE Transaction and the dilutive impact of the BEE Transaction.

BDO Corporate Finance noted that once the BEE Transaction is concluded it will result in an improvement in the ownership element of EOH’s BEE score. Accordingly, BDO Corporate Finance considered the positive financial impact that an increase in EOH’s BEE ownership credentials could have on its ability to attract new business and retain its existing customers. This review included the consideration of, *inter alia*, the terms and conditions of EOH’s existing contracts, requests for tender proposals and other related documents.

Since the A Share Issue is indivisible from the BEE Transaction, the A Share Issue cannot be opined upon without reference to the BEE Transaction.

Based on the procedures above, we assessed the fairness of the BEE Transaction and A Share Issue by comparing the pre-BEE Transaction value per EOH Ordinary Share to the post-BEE Transaction value per EOH Ordinary Share.

OPINION

Based upon and subject to the conditions set out herein, BDO Corporate Finance is of the opinion that the terms and conditions of the A Share Issue are fair to the EOH Shareholders.

Our opinion is necessarily based upon the information available to us up to 13 August 2018 including in respect of the 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 A Share Issue 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.

CONSENT

We hereby consent to the inclusion of this Fairness Opinion, in whole or in part, and references thereto in the Circular, in the form and context in which it appears.



N Lazanakis
Director

BDO Corporate Finance Proprietary Limited
22 Wellington Road
Parktown
2193

SALIENT TERMS OF THE EOH A SHARES

The definitions and interpretations commencing on page 5 of the Circular to which this annexure is attached, apply to this annexure.

Term	Description
Dividend rights	During the Transaction Term, an amount equal to 15% of any dividend declared and paid by EOH in respect of an EOH Ordinary Share.
Voting rights	During the Transaction Term, 1 vote per EOH A Share (i.e. voting rights equivalent to that of an EOH Ordinary Share).
Transaction Term	The period commencing on the Implementation Date and terminating on the 5th anniversary thereof.
Redemption Date	In respect of each EOH A Share, the earlier of (i) the Maturity Date, but after the Capitalisation Issue has been implemented and (ii) the Early Redemption Date.
Aggregate redemption amount	R1.00
Capitalisation Issue	<p>On the Maturity Date (provided that EOH has not delivered an Early Redemption Notice in respect of the relevant EOH A Shares), EOH will issue the Capitalisation Shares to BEE SPV 2 in respect of the EOH A Shares held by BEE SPV 2, the number of which shall be calculated in accordance with the A Share Formula, as set out below:</p> $A = [B \times (C + D)] / E$ <p>where:</p> <p>A = number of EOH Ordinary Shares to be issued in respect of all of the EOH A Shares;</p> <p>B = number of EOH A Shares held by BEE SPV 2 as at the Maturity Date;</p> <p>C = 30 Day VWAP on the Maturity Date less R90.00, provided that if C is less than zero then C shall be deemed to be equal to zero;</p> <p>D = an amount equal to 85% of any dividend declared and paid by EOH in respect of an EOH Ordinary Share throughout the Transaction Term; and</p> <p>E = 30 Day VWAP on the Maturity Date.</p>

PRO FORMA FINANCIAL INFORMATION

The definitions and interpretations commencing on page 5 of the Circular to which this annexure is attached, apply to this annexure, unless a word or a term is otherwise defined herein.

The tables below set out the *pro forma* financial information of the BEE Transaction and the Capitalisation Issue (the “**Pro Forma Financial Effects**”).

The *Pro Forma* Financial Effects have been prepared to illustrate the effect of the BEE Transaction and the Capitalisation Issue on the published, unaudited consolidated financial statements of EOH for the six month period ended 31 January 2018, had the BEE Transaction and Capitalisation Issue been implemented on 1 August 2017 for statement of profit and loss and other comprehensive income purposes and on 31 January 2018 for statement of financial position purposes.

The *Pro Forma* Financial Effects are provided for illustrative purposes only and because of their nature, may not fairly represent the financial performance and position of EOH after the implementation of the BEE Transaction and the Capitalisation Issue.

The *Pro Forma* Financial Effects have been compiled using the accounting policies that comply with International Financial Reporting Standards (“**IFRS**”) and that are consistent with those applied in the published, audited consolidated annual financial statements of EOH for the year ended 31 July 2017.

The *Pro Forma* Financial Effects illustrate the assumption that the First Tranche, Second Tranche and Third Tranche of the Subscription Undertaking occur on the Implementation Date, however the actual transaction in relation to the Subscription Undertaking will be recorded in the period that the First Tranche, Second Tranche and Third Tranche is implemented, which may occur over several future financial reporting periods.

The *Pro Forma* Financial Effects are the responsibility of the Directors of EOH. The independent reporting accountants’ reasonable assurance report thereon is set out in annexure 4 to the Circular.

Pro forma condensed consolidated statement of profit and loss and other comprehensive income

	Before –	A Shares	After	Subscription	After	Capitalisation	After the BEE
	for the six month period ended 31 January 2018 ¹	and Initial Subscription	A Shares and Initial Subscription	Undertaking	the BEE Transaction	Issue adjustment	Transaction and Capitalisation Issue
<i>R'000</i>	<i>Actual</i>	<i>Pro forma</i>	<i>Pro forma</i>	<i>Pro forma</i>	<i>Pro forma</i>	<i>Pro forma</i>	<i>Pro forma</i>
Continuing operations							
Revenue	8 353 606	–	8 353 606	–	8 353 606	–	8 353 606
Cost of sales	(5 671 326)	–	(5 671 326)	–	(5 671 326)	–	(5 671 326)
Gross profit	2 682 280	–	2 682 280	–	2 682 280	–	2 682 280
Operating expenses	(1 898 096)	(55 350) ⁶	(1 953 446)	–	(1 953 446)	–	(1 953 446)
Operating profit before interest and equity-accounted profits	784 184	(55 350)	728 834	–	728 834	–	728 834
IFRS 2 charge	–	(215 472) ⁵	(215 472)	–	(215 472)	–	(215 472)
Investment income	35 729	–	35 729	–	35 729	–	35 729
Share of equity-accounted profits	6 371	–	6 371	–	6 371	–	6 371
Finance costs	(176 548)	–	(176 548)	–	(176 548)	–	(176 548)
Profit before taxation	649 736	(270 822)	378 914	–	378 914	–	378 914
Taxation	(186 344)	– ⁹	(186 344)	– ⁹	(186 344)	– ⁹	(186 344)
Profit for the period from continuing operations	463 392	(270 822)	192 570	–	192 570	–	192 570
(Loss)/profit for the period from discontinued operations	(392 450)	–	(392 450)	–	(392 450)	–	(392 450)
Profit for the period	70 942	(270 822)	(199 880)	–	(199 880)	–	(199 880)
Profit attributable to:							
Owners of EOH	67 495	(270 822)	(203 327)	–	(203 327)	–	(203 327)
Non-controlling interest	3 447	–	3 447	–	3 447	–	3 447
Headline Earnings	458 434	(270 822)	187 612	–	187 612	–	187 612
Profit for the period	70 942	(270 822)	(199 880)	–	(199 880)	–	(199 880)
Other comprehensive income							
Exchange differences on translating foreign operations	(152 600)	–	(152 600)	–	(152 600)	–	(152 600)
Total comprehensive income for the period	(81 658)	(270 822)	(352 480)	–	(352 480)	–	(352 480)
Total comprehensive income attributable to:							
Owners of EOH	(83 871)	(270 822)	(354 693)	–	(354 693)	–	(354 693)
Non-controlling interest	2 213	–	2 213	–	2 213	–	2 213
	(81 658)	(270 822)	(352 480)	–	(352 480)	–	(352 480)
Earnings per share							
From continuing operations							
Basic EPS* (cents)	320	(204)	116	(17)	99	2	101
Diluted EPS* (cents)	310	(197)	113	(16)	97	1	98
Headline EPS* (cents)	314	(204)	110	(16)	94	2	96
Diluted headline EPS* (cents)	304	(197)	107	(15)	92	2	94
From total operations (including discontinued operations)							
Basic EPS* (cents)	47	(189)	(142)	20	(122)	14	(108)
Diluted EPS* (cents)	45	(183)	(138)	19	(119)	13	(106)
Headline EPS* (cents)	319	(204)	115	(17)	98	2	100
Diluted headline EPS* (cents)	309	(197)	112	(16)	96	2	98
Weighted average number of EOH							
Ordinary Shares in issue (000's)	143 765	8 108 ^{2,3}	151 873	25 856 ⁴	177 729	10 000 ^{7,8}	187 729
Diluted weighted average number of EOH Ordinary Shares in issue (000's)	148 349	8 108 ^{2,3}	156 457	25 856 ⁴	182 313	10 000 ^{7,8}	192 313

* Earnings per EOH Ordinary Share

Notes:

- The "Before" financial information has been extracted without adjustment and / or derived from the published, unaudited consolidated financial statements of EOH for the six month period ended 31 January 2018.
- The issue of 8.1 million Subscription EOH Ordinary Shares to Lebashe at a subscription price of R30.83 per EOH Ordinary Share, being the 60 Day VWAP on the Last Practicable Date less 10%, for an aggregate cash subscription price of R250 million, pursuant to the implementation of the Initial Subscription.
- The issue of 40 million EOH A Shares for a nominal aggregate subscription price of R1.00, pursuant to the implementation of the A Share Issue, is anti-dilutive, for purposes of determining diluted earnings and diluted headline earnings per EOH Ordinary Share, based on the 30 Day VWAP of R65.76 of an EOH Ordinary Share on 31 January 2018 and a dividend of R2.15 per EOH Ordinary Share for the six month period ended 31 January 2018.
- The issue of 25.9 million Subscription Undertaking Shares to Lebashe at a subscription price of R29.01 per EOH Ordinary Share, being the 30 Day VWAP on the Last Practicable Date less 10%, for an aggregate cash subscription price of R750 million pursuant, to the implementation of the Subscription Undertaking. In the event that EOH obtains the right to early redeem all or a portion of the EOH A Shares, this right provides EOH with an asset.
- The recognition of a once-off BEE share-based payment charge of approximately R215 million in terms of IFRS 2: Share-Based Payments in relation to the EOH A Shares. The share-based payment charge on the A Shares is determined using an option pricing model based on a 30 Day VWAP of R32.23 per EOH Ordinary Share on the Last Practicable Date. In addition, the share-based payment charge includes the present value of anticipated future dividends of the EOH A Shares, utilising the assumptions in the option pricing model. The share-based payment charge is recognised as an equity settled share-based payment with no vesting period and the full expense of approximately R215 million is recognised upon implementation of the BEE Transaction.
- The payment of costs amounting to approximately R55 million, relating to the implementation of the BEE Transaction and matters related thereto.
- The issue of 10 million Capitalisation Shares, pursuant to the implementation of the Capitalisation Issue. The issue of 10 million Capitalisation Shares is based on the assumptions that Lebashe holds 40 million EOH A Shares on the Maturity Date, no dividend is declared and paid by EOH in respect of an EOH Ordinary Share for the duration of the Transaction Term and a 30 Day VWAP of R120 per EOH Ordinary Share on the Maturity Date.
Holding all assumptions the same, if the 30 Day VWAP of an EOH Ordinary Share on the Maturity Date is R90.00, there will be 0 Capitalisation Shares issued on the Maturity Date. The *pro forma* financial effects of 0 Capitalisation Shares issued on the basic earnings, headline earnings, diluted earnings, diluted headline earnings from continuing and including discontinued operations per EOH Ordinary Share are negligible.
Holding all assumptions the same, if the 30 Day VWAP of an EOH Ordinary Share on the Maturity Date is R150.00, there will be 16 million Capitalisation Shares issued on the Maturity Date. The *pro forma* financial effects of 16 million Capitalisation Shares issued on the basic earnings, headline earnings, diluted earnings, diluted headline earnings from continuing and including discontinued operations per EOH Ordinary Share will decrease the loss per EOH Ordinary Share.
- The redemption of the 40 million EOH A Shares held by Lebashe for a nominal aggregate consideration of R1.00, assuming Lebashe holds 40 million EOH A Shares on the Maturity Date. As stated above, the issue of the 40 million EOH A Shares on implementation of the BEE Transaction is anti-dilutive and therefore the redemption of such EOH A Shares would therefore not require an adjustment to the weighted average or diluted weighted average number of EOH Shares in issue.
- The recognition of taxation at a rate of 28%.
- All of the adjustments, with the exception of the once-off BEE Transaction costs (including the BEE share-based payment charge) and the redemption of the EOH A Shares, are expected to have a continuing effect.

Reconciliation of *pro forma* headline (loss)/earnings

	Before – for the six month period ended 31 January 2018 <i>Actual</i>	A Shares and Initial Subscription <i>Pro forma</i>	After A Shares and Initial Subscription <i>Pro forma</i>	Subscription Undertaking <i>Pro forma</i>	After the BEE Transaction <i>Pro forma</i>	Capitalisation Issue adjustment <i>Pro forma</i>	After the BEE Transaction and Capitalisation Issue <i>Pro forma</i>
R'000							
For total operations							
Profit from the period attributable to owners of EOH	67 495	(270 822)	(203 327)	–	(203 327)	–	(203 327)
<i>Adjusted for:</i>							
Loss/(gain) on disposal of subsidiaries and property, plant and equipment and other financial assets	384 251	–	384 251	–	384 251	–	384 251
Gain on bargain purchase	(7 988)	–	(7 988)	–	(7 988)	–	(7 988)
Total tax effects of adjustments	14 676	–	14 676	–	14 676	–	14 676
Headline Earnings	458 434	(270 822)	187 612	–	187 612	–	187 612

Pro forma condensed consolidated statement of financial position

	Before – as at 31 January 2018 ¹	A Shares and Initial Subscription	After A Shares and Initial Subscription	Subscription Undertaking	After the BEE Transaction	Capitalisation Issue adjustment	After the BEE Transaction and Capitalisation Issue
R'000	<i>Actual</i>	<i>Pro forma</i>	<i>Pro forma</i>	<i>Pro forma</i>	<i>Pro forma</i>	<i>Pro forma</i>	<i>Pro forma</i>
Assets							
Non-current assets							
Property, plant and equipment	683 249	–	683 249	–	683 249	–	683 249
Goodwill and intangible assets	5 529 360	–	5 529 360	–	5 529 360	–	5 529 360
– Goodwill	4 335 125	–	4 335 125	–	4 335 125	–	4 335 125
– Intangible assets	1 194 235	–	1 194 235	–	1 194 235	–	1 194 235
Equity-accounted investments	762 530	–	762 530	–	762 530	–	762 530
Other financial assets	477 952	–	477 952	–	477 952	–	477 952
Deferred taxation	294 341	–	294 341	–	294 341	–	294 341
Finance lease receivables	154 724	–	154 724	–	154 724	–	154 724
	7 902 156	–	7 902 156	–	7 902 156	–	7 902 156
Current assets							
Inventory	468 392	–	468 392	–	468 392	–	468 392
Other financial assets	406 118	–	406 118	–	406 118	–	406 118
Current taxation receivable	101 489	–	101 489	–	101 489	–	101 489
Finance lease receivables	66 978	–	66 978	–	66 978	–	66 978
Trade and other receivables	5 921 302	–	5 921 302	–	5 921 302	–	5 921 302
Cash and cash equivalents	1 301 951	194 650 ^{2,3}	1 496 601	750 000 ⁴	2 246 601	–	2 246 601
	8 266 230	194 650	8 460 880	750 000	9 210 880	–	9 210 880
Total assets	16 168 386	194 650	16 363 036	750 000	17 113 036	–	17 113 036
Equity and liabilities							
Equity							
Equity attributable to the owners of EOH	8 221 402	194 650 ^{2,3}	8 416 052	750 000 ⁴	9 166 052	–	9 166 052
Non-controlling interest	30 448	–	30 448	–	30 448	–	30 448
	8 251 850	194 650	8 446 500	750 000	9 196 500	–	9 196 500
Liabilities							
Non-current liabilities							
Other financial liabilities	3 115 042	–	3 115 042	–	3 115 042	–	3 115 042
Finance lease payables	65 550	–	65 550	–	65 550	–	65 550
Deferred taxation	450 142	–	450 142	–	450 142	–	450 142
	3 630 734	–	3 630 734	–	3 630 734	–	3 630 734
Current liabilities							
Other financial liabilities	1 317 710	–	1 317 710	–	1 317 710	–	1 317 710
Current taxation payable	149 446	–	149 446	–	149 446	–	149 446
Finance lease payables	38 815	–	38 815	–	38 815	–	38 815
Trade and other payables	2 324 260	–	2 324 260	–	2 324 260	–	2 324 260
Deferred income	455 571	–	455 571	–	455 571	–	455 571
	4 285 802	–	4 285 802	–	4 285 802	–	4 285 802
Total liabilities	7 916 536	–	7 916 536	–	7 916 536	–	7 916 536
Total equity and liabilities	16 168 386	194 650	16 363 036	750 000	17 113 036	–	17 113 036
NAV [^] (cents)	5 708	(176)	5 532	(382)	5 150	(274)	4 876
TNAV [#] (cents)	1 869	29	1 898	145	2 043	(108)	1 935
Total number of EOH Ordinary Shares in issue (000's)	144 023	8 108 ²	152 131	25 856 ⁴	177 987	10 000 ^{5,6}	187 987

[^] Net asset value per EOH Ordinary Share

[#] Tangible net asset value per EOH Ordinary Share

Notes:

1. The “Before” financial information has been extracted without adjustment and / or derived from the published, unaudited consolidated financial statements of EOH for the six month period ended 31 January 2018.
2. The issue of 8.1 million Subscription EOH Ordinary Shares to Lebashe at a subscription price of R30.83 per EOH Ordinary Share, being the 60 Day VWAP on the Last Practicable Date less 10%, for an aggregate cash subscription price of R250 million, pursuant to the implementation of the Initial Subscription.
3. The payment of costs amounting to approximately R55 million, relating to the implementation of the BEE Transaction and matters related thereto. The aggregate cash inflow is the aggregate cash subscription price of R250 million less the payment of costs of approximately R55 million.
4. The issue of 25.9 million Subscription Undertaking Shares to Lebashe at a subscription price of R29.01 per EOH Ordinary Share, being the 30 Day VWAP on the Last Practicable Date less 10%, for an aggregate cash subscription price of R750 million, pursuant to the implementation of the Subscription Undertaking. In the event that EOH obtains the right to early redeem all or a portion of the EOH A Shares, this right provides EOH with an asset.
5. The issue of 10 million Capitalisation Shares, pursuant to the implementation of the Capitalisation Issue. The issue of 10 million Capitalisation Shares is based on the assumptions that Lebashe holds 40 million EOH A Shares on the Maturity Date, no dividend is declared and paid by EOH in respect of an EOH Ordinary Share for the duration of the Transaction Term and a 30 Day VWAP of R120 per EOH Ordinary Share on the Maturity Date.
Holding all assumptions the same, if the 30 Day VWAP of an EOH Ordinary Share on the Maturity Date is R90.00, there will be 0 Capitalisation Shares issued on the Maturity Date. The *pro forma* financial effects of 0 Capitalisation Shares issued on NAV and TNAV per EOH Ordinary Share are negligible.
Holding all assumptions the same, if the 30 Day VWAP of an EOH Ordinary Share on the Maturity Date is R150.00, there will be 16 million Capitalisation Shares issued on the Maturity Date. The *pro forma* financial effects of 16 million Capitalisation Shares issued will decrease the NAV and TNAV per EOH Ordinary Share.
6. The redemption of the 40 million EOH A Shares held by Lebashe for a nominal aggregate consideration of R1.00, assuming Lebashe holds 40 million EOH A Shares on the Maturity Date.

The tables below set out the summary *pro forma* financial effects on the basic earnings, headline earnings, diluted earnings, diluted headline earnings from continuing and including discontinued operations per EOH Ordinary Share. The summary *pro forma* financial effects also include net asset value and net tangible asset value per EOH Ordinary Share.

As the BEE Transaction is still subject to Shareholder approval and as a result of possible movements in the share price of an EOH Ordinary share before the General Meeting, two additional scenarios have been provided below. The summary *pro forma* scenarios are as follows:

- **Scenario 1:** The 30 Day VWAP of the Subscription Undertaking, the 60 Day VWAP of Initial Subscription and the 30 Day VWAP utilised in the IFRS 2: Share-Based Payment calculation are calculated as 20% higher than the price on the Last Practicable Date.
- **Scenario 2:** The 30 Day VWAP of the Subscription Undertaking, the 60 Day VWAP of Initial Subscription and the 30 Day VWAP utilised in the IFRS 2: Share-Based Payment calculation are calculated as 20% lower than the price on the Last Practicable Date.

Scenario 1	Before – for the six month period ended/as at 31 January 2018	A Shares and Initial Subscription	After A Shares and Initial Subscription	Subscription Undertaking	After the BEE Transaction	Capitalisation Issue adjustment	After the BEE Transaction and Capitalisation Issue
	<i>Actual</i>	<i>Pro forma</i>	<i>Pro forma</i>	<i>Pro forma</i>	<i>Pro forma</i>	<i>Pro forma</i>	<i>Pro forma</i>
R'000							
Earnings per share							
From continuing operations							
Basic EPS* (cents)	320	(271)	49	(6)	43	5	48
Diluted EPS* (cents)	310	(262)	48	(6)	42	5	47
Headline EPS* (cents)	314	(271)	43	(5)	38	5	43
Diluted headline EPS* (cents)	304	(262)	42	(5)	37	5	42
Including discontinued operations							
Basic EPS* (cents)	47	(259)	(212)	27	(185)	17	(168)
Diluted EPS* (cents)	45	(250)	(205)	25	(180)	16	(164)
Headline EPS* (cents)	319	(271)	48	(6)	42	5	47
Diluted headline EPS* (cents)	309	(262)	47	(6)	41	5	46
NAV ^ (cents)	5 708	(126)	5 582	(263)	5 319	(292)	5 027
TNAV # (cents)	1 869	46	1 915	195	2 110	(115)	1 995
Weighted average number of EOH Shares in issue (000's)	143 765	6 757	150 522	21 546	172 068	10 000	182 068
Diluted weighted average number of EOH Shares in issue (000's)	148 349	6 757	155 106	21 546	176 652	10 000	186 652
Total number of EOH Shares in issue (000's)	144 023	6 757	150 780	21 546	172 326	10 000	182 326

Scenario 2	Before – for the six month period ended/as at 31 January 2018	A Shares and Initial Subscription	After A Share and Initial Subscription	Subscription Undertaking	After the BEE Transaction	Capitalisation Issue adjustment	After the BEE Transaction and Capitalisation Issue
	<i>Actual</i>	<i>Pro forma</i>	<i>Pro forma</i>	<i>Pro forma</i>	<i>Pro forma</i>	<i>Pro forma</i>	<i>Pro forma</i>
R'000							
Earnings per share							
From continuing operations							
Basic EPS* (cents)	320	(153)	167	(29)	138	–	138
Diluted EPS* (cents)	310	(148)	162	(27)	135	(1)	134
Headline EPS* (cents)	314	(153)	161	(28)	133	–	133
Diluted headline EPS* (cents)	304	(147)	157	(27)	130	–	130
Including discontinued operations							
Basic EPS* (cents)	47	(135)	(88)	15	(73)	11	(62)
Diluted EPS* (cents)	45	(130)	(85)	14	(71)	10	(61)
Headline EPS* (cents)	319	(153)	166	(29)	137	–	137
Diluted headline EPS* (cents)	309	(148)	161	(27)	134	–	134
NAV ^ (cents)	5 708	(249)	5 459	(544)	4 915	(250)	4 665
TNAV # (cents)	1 869	4	1 873	77	1 950	(99)	1 851
Weighted average number of EOH Shares in issue (000's)	143 765	10 135	153 900	32 320	186 220	10 000	196 220
Diluted weighted average number of EOH Shares in issue (000's)	148 349	10 135	158 484	32 320	190 804	10 000	200 804
Total number of EOH Shares in issue (000's)	144 023	10 135	154 158	32 320	186 478	10 000	196 478

INDEPENDENT REPORTING ACCOUNTANTS' LIMITED ASSURANCE REPORT ON THE PRO FORMA FINANCIAL INFORMATION

The definitions and interpretations commencing on page 5 of the Circular to which this annexure is attached, do not apply to this annexure.

"INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON THE COMPILATION OF PRO FORMA FINANCIAL INFORMATION OF EOH HOLDINGS LIMITED

14 August 2018
The Directors
EOH Holdings Limited
EOH Business Park
1 Osborne Lane
Bedfordview
2007

Independent reporting accountant's assurance report on the compilation of pro forma financial information of EOH Holdings Limited ("EOH")

We have completed our assurance engagement to report on the compilation of pro forma financial information of EOH Holdings Limited by the directors. The pro forma financial information as set out in Annexure 3 of the circular ("the Circular"), to be dated on or about Monday, 20 August 2018, consists of a statement of comprehensive income and a statement of financial position and related notes ("Pro forma Financial Information"). The Pro forma Financial Information has been compiled on the basis of the applicable criteria specified in the JSE Limited ("JSE") Listings Requirements.

The Pro forma Financial Information has been compiled by the directors to illustrate the impact of the proposed transaction on the company's reported financial position as at 31 January 2018, as if the proposed transaction had taken place at 31 January 2018, and the company's financial performance for the six month period then ended, as if the proposed transaction had taken place at 1 August 2017. As part of this process, information about EOH's financial position and financial performance has been extracted by the directors from the consolidated financial statements of EOH for the six month period ended 31 January 2018.

Directors' responsibility

The directors of EOH are responsible for the compilation, contents and presentation of the Pro forma Financial Information on the basis of the applicable criteria specified in the JSE Listings Requirements and described in Annexure 3 of the Circular. The Directors of EOH are also responsible for the financial information from which it has been prepared.

Our Independence and Quality Control

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

The firm applies the International Standard on Quality Control 1, Quality Control for Firms that Perform Audits and Reviews of Financial Statements, and Other Assurance and Related Services Engagements and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Reporting accountant's responsibility

Our responsibility is to express an opinion about whether the Pro forma Financial Information has been compiled, in all material respects, by the directors of EOH on the basis specified in the JSE Listings Requirements based on our procedures performed.

We conducted our engagement in accordance with the International Standard on Assurance Engagements (ISAE) 3420, Assurance Engagements to Report on the Compilation of Pro forma Financial Information Included in a Prospectus issued by the International Auditing and Assurance Standards Board.

This standard requires that we plan and perform our procedures to obtain reasonable assurance about whether the Pro forma Financial Information has been compiled, in all material respects, on the basis specified in the JSE Listings Requirements.

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

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

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

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

Our procedures selected depend on our judgment, having regard to our understanding of the nature of the company, the corporate action or event in respect of which the Pro forma Financial Information has been compiled, and other relevant engagement circumstances.

Our engagement also involves evaluating the overall presentation of the Pro forma Financial Information.

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

Opinion

In our opinion, the Pro forma Financial Information has been compiled, in all material respects, on the basis of the applicable criteria specified by the JSE Listings Requirements and described in Annexure 3 of the Circular.



MAZARS

Registered Auditors

Per: Sanjay Ranchhoojee

Partner

Registered Auditor

14 August 2018

Melrose Estate, Johannesburg"

MOI AMENDMENTS

The definitions and interpretations commencing on page 5 of the Circular to which this annexure is attached, apply to the first paragraph of this annexure only and do not apply to the remaining sections of this annexure.

The information provided below has been extracted from the New EOH MOI, as it pertains to the MOI Amendments, and only in respect of those MOI Amendments which are deemed to be material and/or are required in terms of legislation and the Listings Requirements. Items which are marked in **bold and underlined** are proposed new insertions.

1. INTERPRETATION

- 1.1 **“A Shares” means redeemable A shares in the Company having the rights and privileges set out in clause 39;**

6. ISSUE OF SHARES AND VARIATION OF RIGHTS

- 6.1 The Company is authorised to issue –
- 6.1.1 500 000 000 (five hundred million) ordinary Shares, of the same class, each of which ranks *pari passu* in respect of all rights and entitles the holder to –
- 6.1.1.1 vote, whether in person or by proxy, on any matter to be decided by Shareholders of the Company;
- 6.1.1.2 participate proportionally in any distribution made by the Company; and
- 6.1.1.3 receive proportionally the net assets of the Company upon its liquidation;
- 6.1.2 **40 000 000 (forty million) A Shares, each of which entitles the holder to rights and privileges as set out in clause 39;** and
- 6.1.3 such number of each of such further classes of Shares, if any, as are set out in Schedule 1 hereto subject to the preferences, rights, limitations and other terms associated with each such class set out therein.
- 6.2 The Board shall not have the power to –
- 6.2.1 increase or decrease the number of authorised Shares of any class of the Company’s Shares; or
- 6.2.2 consolidate and reduce the number of the Company’s issued and authorised Shares of any class; or
- 6.2.3 subdivide its Shares of any class by increasing the number of its issued and authorised Shares of that class without an increase of its capital; or
- 6.2.4 reclassify any classified Shares that have been authorised but not issued; or
- 6.2.5 convert one class of shares into one or more other classes of shares; or
- 6.2.6 determine or vary the preferences, rights, limitations or other terms of any **class of shares;** or
- 6.2.7 create any class of shares, or
- 6.2.8 Issue Shares or Securities convertible into Shares, or grant options as set out in section 41(1) subject to section 41(2) of the Act,
- and such powers shall only be capable of being exercised by the Shareholders by way of a special resolution of the Shareholders.
- 6.3 Each Share issued by the Company has associated with it an irrevocable right of the Shareholder to vote on any proposal to amend the preferences, rights, limitations and other terms associated with that Share as contemplated in clause 20.2.
- 6.4 The authorisation and classification of Shares, the numbers of authorised Shares of each class, and the preferences, rights, limitations and other terms associated with each class of Shares as set out in this Memorandum of Incorporation may be changed only by an amendment of this Memorandum of Incorporation by special resolution of the Shareholders and in accordance with the JSE Listings Requirements, and such amendments shall not be implemented without a special resolution adopted by the holders of Shares of that class at a separate meeting.
- 6.5 No Shares may be authorised in respect of which the preferences, rights, limitations or any other terms of any class of Shares may be varied **and no resolution may be proposed to Shareholders for rights to include such variation** in response to any objectively ascertainable external fact or facts as provided for in sections 37(6) and 37(7) of the Act.
- 6.6 No further Securities ranking in priority to, or *pari passu* with, existing class of Shares, shall be created without a special resolution being passed at a separate general meeting of such preference Shareholders.
- 6.7 Notwithstanding the provisions of section 40(5) of the Act, the Company may only issue Shares which are fully paid up and freely transferable and only within the classes and to the extent that those Shares have been authorised by or in terms of this Memorandum of Incorporation.
- 6.8 All issues of Shares for cash, as defined in the JSE Listings Requirements, and including the grant of options and/or issue of convertible Securities, must, to the extent applicable, be effected in compliance with the JSE Listings Requirements.
- 6.9 All Securities of the Company for which a listing is sought on the JSE and all Securities of the same class as Securities of the Company which are listed on the JSE must be freely transferable and must, notwithstanding the provisions of section 40(5) of the Act, unless otherwise required by the Act, only be issued after the Company has received the consideration approved by the Board for the issuance of such Securities.

- 6.10 Unissued authorised Securities of any class are always under the power of the Directors and may be issued by the Directors at their discretion at any time subject to any necessary compliance requirements required by such security class terms and rights and compliance with the Act, the JSE Listings Requirements and/or this Memorandum of Incorporation, and the Directors may only issue unissued authorised Securities if such Securities have first been offered to existing ordinary Shareholders in proportion to their shareholding, unless such Securities are issued for the acquisition of assets by the Company.
- 6.11 Notwithstanding the provisions of clauses 6.2 and 6.10 above, any issue of Shares, Securities convertible into Shares, or rights exercisable for Shares in a transaction, or a series of integrated transactions shall, in accordance with the provisions of section 41(3) of the Act, require the approval of the Shareholders by special resolution if the voting power of the class of Shares that are issued or are issuable as a result of the transaction or series of integrated transactions will be equal to or exceed 30% (thirty percent) of the voting power of all the Shares of that class held by Shareholders immediately before that transaction or series of integrated transactions.

20. VOTES OF SHAREHOLDERS

- 20.1 Subject to any special rights or restrictions as to voting attached to any Shares by or in accordance with this Memorandum of Incorporation, at a meeting of the Company –
- 20.1.1 every person present or represented by proxy and entitled to exercise voting rights shall be entitled to 1 (one) vote on a show of hands, irrespective of the number of voting rights that person would otherwise be entitled to exercise;
- 20.1.2 on a poll any person who is present at the meeting, whether as a Shareholder or as proxy for a Shareholder, has 1 (one) vote for each Share held by that Shareholder; and
- 20.1.3 the holders of Securities other than ordinary Shares **and any special shares created for the purposes of black economic empowerment in terms of the BEE Act and BEE Codes, as envisaged in the JSE Listings Requirements**, shall not be entitled to vote on any resolution at a meeting of Shareholders, except as provided in clause 20.2.
- 20.2 If any resolution is proposed as contemplated in clause 6.3 above, the holders of such Shares (“**Affected Shareholders**”) shall be entitled to vote at the meeting of ordinary Shareholders as contemplated in clause 20.1 above, provided that –
- 20.2.1 the votes of the Shares of that class held by the Affected Shareholders (“**Affected Shares**”) shall not carry any special rights or privileges and the Affected Shareholder shall be entitled to 1 (one) vote for every Affected Share held; and
- 20.2.2 the total voting rights of the Affected Shareholders in respect of the Affected Shares shall not be more than 24.99% (twenty four point nine nine percent) of the total votes (including the votes of the ordinary Shareholders) exercisable at that meeting (with any cumulative fraction of a vote in respect of any Affected Shares held by an Affected Shareholder rounded down to the nearest whole number).
- 20.3 Voting shall be conducted by means of a polled vote in respect of any matter to be voted on at a meeting of Shareholders if a demand is made for such a vote by –
- 20.3.1 at least 5 (five) persons having the right to vote on that matter, either as Shareholders or as proxies representing Shareholders; or
- 20.3.2 a Shareholder who is, or Shareholders who together are, entitled, as Shareholders or proxies representing Shareholders, to exercise at least 10% (ten percent) of the voting rights entitled to be voted on that matter; or
- 20.3.3 the chairperson of the meeting.
- 20.4 At any meeting of the Company a resolution put to the vote of the meeting shall be decided on a show of hands, unless a poll is (before or on the declaration of the result of the show of hands) demanded in accordance with the provisions of clause 20.3 above, and unless a poll is so demanded, a declaration by the chairperson that a resolution has, on a show of hands, been carried or carried unanimously or by a particular majority or defeated, and an entry to that effect in the book containing the minutes of the proceedings of the Company, shall be conclusive evidence of the fact, without proof of the number or proportion of the votes recorded in favour of or against such resolution. The demand for a poll may be withdrawn.
- 20.5 If a poll is duly demanded, it shall be taken in such manner as the chairperson directs, and the result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded. In computing the majority on the poll, regard shall be had to the number of votes to which each Shareholder is entitled.
- 20.6 In the case of an equality of votes, whether on a show of hands or on a poll, the chairperson of the meeting at which the show of hands takes place, or at which the poll is demanded, shall not be entitled to a second or casting vote.
- 20.7 A poll demanded on the election of a chairperson (as contemplated in clause 18.19) or on a question of adjournment shall be taken forthwith. A poll demanded on any other question shall be taken at such time as the chairperson of the meeting directs. The demand for a poll shall not prevent the continuation of a meeting for the transaction of any business other than the question upon which the poll has been demanded.
- 20.8 Where there are joint registered holders of any Share, any 1 (one) of such persons may exercise all of the voting rights attached to that Share at any meeting, either personally or by proxy, as if he or she were solely entitled thereto. If more than 1 (one) of such joint holders is present at any meeting, personally or by proxy, the person so present whose name stands first in the Securities Register in respect of such Share shall alone be entitled to vote in respect thereof.

39. TERMS OF A SHARES

- 39.1 In this clause 39, unless otherwise stated or unless the context indicates otherwise, the following words and expressions will bear the meanings assigned to them –
- 39.1.1 “30 Day VWAP” means, as at any day, the volume weighted average traded price at which the Ordinary Shares traded on the relevant securities exchange for the 30 (thirty) trading days immediately prior to that day, as published by IRESS or, if IRESS should cease to publish such information, then such information published by any equivalent reputable agency nominated by the Company;
- 39.1.2 “Approximate Price” means an amount calculated in accordance with clause 39.9.3 or clause 39.9.4, as the case may be;
- 39.1.3 “BEE SPV 2” means Business Venture Investments No 2055 Proprietary Limited, registration number 2017/541001/07, a limited liability private company incorporated in accordance with the laws of South Africa, to be renamed “Lebashe E A Shares (RF) Proprietary Limited”;
- 39.1.4 “Capitalisation Share Issue” means the capitalisation share issue envisaged in clause 39.5;
- 39.1.5 “Early Redemption Date” means, in respect of an A Share, the date on which the Company delivers an Early Redemption Notice to Lebashe HoldCo in respect of such A Share;
- 39.1.6 “Early Redemption Notice” means a written notice by the Company from time to time, as envisaged in clause 39.5 or clause 39.6;
- 39.1.7 “First Tranche” shall bear the meaning ascribed thereto in the Subscription Undertaking Agreement;
- 39.1.8 “Issue Date” means, in respect of an A Share, the date on which that A Share is issued by the Company;
- 39.1.9 “Lebashe Holdco” means Lebashe Investment Group Proprietary Limited, registration number 2015/032440/07, a limited liability private company incorporated in accordance with the laws of South Africa;
- 39.1.10 “Maturity Date” means, in respect of an A Share, the business day immediately succeeding the 5th (fifth) anniversary of its Issue Date;
- 39.1.11 “Ordinary Shares” means ordinary Shares in the Company, as envisaged in clause 6.1.1;
- 39.1.12 “Redemption Date” means, in respect of an A Share, the earlier of (i) the Maturity Date, after the Capitalisation Share Issue has been implemented and (ii) the Early Redemption Date;
- 39.1.13 “Relationship Agreement” means the written agreement headed “Relationship Agreement” entered into between, *inter alios*, the Company, Lebashe HoldCo and BEE SPV 2;
- 39.1.14 “Redeemable A Shares” means those A Shares in issue that are redeemable on the Redemption Date;
- 39.1.15 “Second Tranche” shall bear the meaning ascribed thereto in the Subscription Undertaking Agreement;
- 39.1.16 “Second Tranche Partial Subscription Price Aggregate” shall bear the meaning ascribed thereto in the Subscription Undertaking Agreement;
- 39.1.17 “Subscription Undertaking Agreement” shall bear the meaning ascribed thereto in the Relationship Agreement;
- 39.1.18 “Subscription Undertaking Breach” shall bear the meaning ascribed thereto in the Relationship Agreement;
- 39.1.19 “Third Tranche” shall bear the meaning ascribed thereto in the Subscription Undertaking Agreement;
- 39.1.20 “Third Tranche Partial Subscription Price Aggregate” shall bear the meaning ascribed thereto in the Subscription Undertaking Agreement; and
- 39.1.21 “Trigger Event” shall bear the meaning ascribed thereto in the Relationship Agreement.
- 39.2 Save for the terms and conditions set out in this clause 39, each and every A Share shall rank *pari passu*, in every respect with an Ordinary Share.
- 39.3 **Dividends**
Each A Share confers on BEE SPV 2 the right to receive a dividend in an amount equal to 15% (fifteen percent) of the amount of any dividend declared and paid by the Company in respect of an Ordinary Share, simultaneously with the payment of such dividend on an Ordinary Share.
- 39.4 **Voting rights**
Each A Share shall confer on BEE SPV 2 the same voting rights as an Ordinary Share confers on its registered holder.
- 39.5 **Trigger Event**
Upon the occurrence of a Trigger Event, the Company will be entitled to, at its election and from time to time, redeem all or some of the A Shares held by BEE SPV 2 in accordance with clause 39.8, upon delivery of a written notice to Lebashe HoldCo to such effect from time to time, at any time after the occurrence of a Trigger Event (regardless of whether the Trigger Event is continuing or has been remedied) until the day immediately preceding the Maturity Date.

39.6 Subscription Undertaking Breach

Upon the occurrence of a Subscription Undertaking Breach, the Company will be entitled to, at its election and from time to time, redeem all or some of a number of the A Shares held by BEE SPV 2 in accordance with clause 39.8, which number of A Shares shall be determined in accordance with the following formula, to be applied pursuant to a Subscription Undertaking Breach in respect of each of the First Tranche, the Second Tranche and the Third Tranche and rounded up or down, as the case may be, to the nearest whole number, upon delivery of a written notice to Lebashe HoldCo to such effect from time to time, at any time after the occurrence of a Subscription Undertaking Breach (regardless of whether the Subscription Undertaking Breach is continuing or has been remedied), until the day immediately preceding the Maturity Date:

$$\left(\frac{250,000,000 - A}{250,000,000} \right) \times 10,000,000$$

Where:

In the case where the formula is applied in respect of:

(i) the First Tranche, A = 0;

(ii) the Second Tranche, A = the Second Tranche Partial Subscription Price Aggregate; and/or

(iii) the Third Tranche, A = the Third Tranche Partial Subscription Price Aggregate.

39.7 Capitalisation Share Issue

On the Maturity Date, prior to the redemption of the Redeemable A Shares and provided that the Company has not delivered an Early Redemption Notice to Lebashe Holdco in respect of the relevant Redeemable A Shares, the Redeemable A Shares shall confer on BEE SPV 2 the right to receive a number of Ordinary Shares as capitalisation shares, calculated in accordance with the following formula:

$$A = [B \times (C + D)] / E$$

Where:

A = the number of Ordinary Shares to be issued in respect of all of the Redeemable A Shares;

B = the number of Redeemable A Shares held by BEE SPV 2 on the Maturity Date;

C = 30 Day VWAP on the Maturity Date less R90 (ninety Rand), provided that if C is less than zero then C shall be deemed to be equal to zero;

D = an amount equal to 85% of any dividend declared and paid by the Company in respect of an Ordinary Share from the Issue Date until the day immediately preceding the Maturity Date; and

E = 30 Day VWAP on the Maturity Date.

39.8 Redemption

Each A Share in issue shall be redeemed by the Company on the applicable Redemption Date, after the Capitalisation Share Issue (if applicable), by the Company making payment of an aggregate redemption amount of R1 (one Rand) to BEE SPV 2 in respect of the Redeemable A Shares held by BEE SPV 2 on the Redemption Date.

39.9 Winding up

39.9.1 In the event of winding up of the Company as envisaged in clause 36, each A Share shall confer on BEE SPV 2 the right to participate in the Company's excess assets by receiving a liquidation distribution ("A Share Liquidation Dividend") simultaneously with the distribution made to the Shareholders in accordance with clause 36 ("Liquidation Dividend"), ("Liquidation Dividend Date"), which A Share Liquidation Dividend per A Share will be an amount equal to the percentage of the Liquidation Dividend per Ordinary Share, which percentage shall be calculated in accordance with the following formula:

$$A = B / C$$

Where:

A = A Share Liquidation Dividend percentage;

B = a number of A Shares calculated in accordance with clause 39.92; and

C = the number of A Shares held by BEE SPV 2 on the Liquidation Dividend Date.

39.9.2 The number of A Shares to be included in the formula in clause 39.9.1 shall be calculated as follows:

$$A = [B \times (C + D)] / E$$

Where:

A = number of A Shares;

B = the number of A Shares held by BEE SPV 2 on the Liquidation Dividend Date;

C = the Approximate Price, less R90 (ninety Rand) provided that if C is less than zero then C shall be deemed to be equal to zero;

D = an amount equal to 85% of any dividend declared and paid by the Company in respect of an Ordinary Share from the Issue Date until the day immediately preceding the Liquidation Dividend Date; and

E = the Approximate Price, as the case may be.

39.9.3 **The Approximate Price will be calculated in accordance with the following formula:**

$$A = [B - (C \times D)] / E$$

Where:

A = Approximate Price, provided that if this amount exceeds R90 (ninety Rand), the Approximate Price shall be calculated in accordance with clause 39.9.4;

B = the value of the Company's assets together with the amount of any cash remaining after payments of the liabilities of the Company and the cost of winding up;

C = an amount equal to 85% of any dividend declared and paid by the Company in respect of an Ordinary Share from the Issue Date until the day immediately preceding the Liquidation Dividend Date;

D = number of A Shares held by BEE SPV 2 on the Liquidation Dividend Date; and

E = the number of Ordinary Shares in issue net of any Ordinary Shares held by any of the Company's subsidiaries.

39.9.4 **In the event that "A" calculated in accordance with clause 39.9.3 exceeds R90 (ninety Rand), then the Approximate Price will be calculated in accordance with the following formula:**

$$A = [B - (C \times D) + (E \times D)] / (D + F)$$

Where:

A = Approximate Price;

B = the value of the Company's assets together with the amount of any cash remaining after payments of the liabilities of the Company and the cost of winding up;

C = an amount equal to 85% of any dividend declared and paid by the Company in respect of an Ordinary Share from the Issue Date until the day immediately preceding the Liquidation Dividend Date;

D = number of A Shares held by BEE SPV 2 on the Liquidation Dividend Date;

E = R90 (ninety Rand); and

F = the number of Ordinary Shares in issue net of any Ordinary Shares held by any of the Company's subsidiaries.

39.10 **Conflict**

Save as otherwise provided for in the Act, if there is any conflict or inconsistency between this clause 39 and any other provision of this Memorandum of Incorporation, the provisions of this clause 39 shall prevail.

SHARE PRICE AND TRADING HISTORY OF EOH ORDINARY SHARES ON THE EXCHANGE

The definitions and interpretations commencing on page 5 of the Circular to which this annexure is attached, apply to this annexure.

DAILY

The table below sets out the aggregate volumes and values and the highest and lowest prices of EOH Ordinary Shares traded on the Exchange for each day over the 30 trading days preceding the Last Practicable Date.

Date	High cents	Low cents	Volume number of EOH Ordinary Shares	Value Rand
11/06/18	3 197	2 910	435 840	13 334 399
12/06/18	3 298	3 073	235 811	7 505 784
13/06/18	3 240	3 160	181 970	5 830 821
14/06/18	3 294	3 200	376 656	12 142 444
15/06/18	3 296	3 107	771 709	24 504 072
18/06/18	3 300	3 004	102 362	3 212 730
19/06/18	3 224	3 001	351 747	10 887 406
20/06/18	3 198	3 001	132 888	4 059 468
21/06/18	3 084	2 830	305 536	8 912 626
22/06/18	3 084	2 870	344 892	10 108 543
25/06/18	3 000	2 657	340 689	9 425 623
26/06/18	2 748	2 339	1 012 123	25 421 252
27/06/18	2 730	2 401	825 902	21 646 119
28/06/18	3 066	2 557	733 566	20 805 148
29/06/18	3 279	3 007	656 497	21 067 623
02/07/18	3 400	3 059	452 212	14 732 077
03/07/18	3 294	3 100	448 200	14 490 731
04/07/18	3 305	3 101	274 769	9 001 307
05/07/18	3 300	3 151	166 449	5 351 872
06/07/18	3 244	3 015	203 319	6 253 709
09/07/18	3 075	3 000	250 420	7 587 636
10/07/18	3 215	3 040	247 843	7 811 865
11/07/18	3 240	3 095	187 634	5 868 964
12/07/18	3 299	3 122	229 951	7 396 992
13/07/18	3 300	3 208	209 628	6 801 402
16/07/18	3 313	3 200	261 650	8 482 765
17/07/18	3 347	3 209	415 734	13 672 984
18/07/18	3 540	3 336	651 219	22 706 675
19/07/18	4 490	3 550	1 384 955	57 533 254
20/07/18	4 422	4 195	628 264	26 639 913

MONTHLY

The table below sets out the aggregate volumes and values and the highest and lowest prices of EOH Ordinary Shares traded on the Exchange for each month over the 12 months preceding the Last Practicable Date.

Month ended	High cents	Low cents	Volume number of EOH Ordinary Shares	Value Rand
31/08/17	11 348	9 915	8 085 422	850 369 944
30/09/17	11 200	9 201	8 652 133	875 680 671
31/10/17	10 847	9 215	14 325 001	1399 883 500
30/11/17	10 528	7 983	14 849 292	1354 809 339
31/12/17	8 500	2 655	29 345 280	1672 367 127
31/01/18	7 291	5 555	13 241 480	849 970 935
28/02/18	7 744	5 501	7 790 237	512 334 325
31/03/18	7 530	4 170	16 310 582	903 250 631
30/04/18	4 887	3 525	22 839 005	906 245 191
31/05/18	4 010	3 078	14 328 506	512 705 753
30/06/18	3 499	2 339	9 385 190	282 772 407
20/07/18	4 490	3 000	6 012 247	214 332 146



EOH HOLDINGS LIMITED

(Incorporated in the Republic of South Africa)

(Registration number 1998/014669/06)

JSE Share code: EOH

ISIN: ZAE000071072

("EOH" or the "Company")

NOTICE OF GENERAL MEETING

The definitions and interpretations commencing on page 5 of the Circular to which this notice is incorporated, apply to this notice, unless a word or a term is otherwise defined herein.

NOTICE OF GENERAL MEETING

Notice is hereby given that the General Meeting will be held at the registered office of the Company, at EOH Business Park, Ground Floor, Block D, 1 Osborne Lane, Gillooly's View, Bedfordview at **14h00 on Tuesday, 18 September 2018.**

PURPOSE OF THE GENERAL MEETING

The purpose of which is to consider, and if deemed fit, pass the following resolutions, with or without modification.

SPECIAL RESOLUTIONS

1. SPECIAL RESOLUTION NUMBER 1: APPROVAL OF THE CREATION OF EOH A SHARES

"Resolved that, conditional upon the passing of Special Resolutions 2 and 3 and Ordinary Resolutions 1, 2, 3 and 4 (save to the extent that such resolutions are conditional upon the passing of this resolution) and the requisite filings with the CIPC having been completed, in terms of section 36(2)(a) of the Companies Act, paragraph 10.5 of Schedule 10 of the Listings Requirements and the EOH MOI, the existing authorised share capital of the Company be amended by way of the creation of 40 000 000 A shares of no par value in the share capital of EOH having the terms set out in the New EOH MOI, such that, pursuant to such creation, the authorised share capital of the Company shall comprise 500 000 000 authorised ordinary shares of no par value and 40 000 000 authorised A shares of no par value in the share capital of EOH."

Voting in respect of Special Resolution 1

The percentage of voting rights required for Special Resolution number 1 to be adopted is at least 75% of the voting rights exercised on this resolution.

Reason and effect of Special Resolution 1

The reason for Special Resolution number 1 is to authorise the Company to create A shares in accordance with section 36(2)(a) of the Companies Act, paragraph 10.5 of Schedule 10 of the Listings Requirements and the EOH MOI. The effect of Special Resolution number 1 is that the Company will create a new class of A shares having the terms set out in the New EOH MOI, such that, pursuant to such creation, the authorised share capital of the Company shall comprise 500 000 000 authorised ordinary shares of no par value and 40 000 000 authorised A shares of no par value in the share capital of EOH. Please refer to the Circular, and in particular paragraph 5.7 thereof for further information in respect of the MOI Amendments.

2. SPECIAL RESOLUTION NUMBER 2: AUTHORISATION FOR THE AMENDMENT OF THE EOH MOI

"Resolved that, conditional upon the passing of Special Resolutions 1 and 3 and Ordinary Resolutions 1, 2, 3 and 4 (save to the extent that such resolutions are conditional upon the passing of this resolution) and the requisite filings with the CIPC having been completed, in terms of section 16(1)(c) as read with section 16(5)(a) of the Companies Act, paragraph 10.5 of Schedule 10 of the Listings Requirements and the EOH MOI, the EOH MOI be and is hereby amended by substituting it in its entirety with the New EOH MOI, with effect from the date of filing of such New EOH MOI with the CIPC."

Voting in respect of Special Resolution 2

The percentage of voting rights required for Special Resolution number 2 to be adopted is at least 75% of the voting rights exercised on this resolution.

Reason and effect of Special Resolution 2

The reason for Special Resolution number 2 is to authorise the Company to amend the EOH MOI in accordance with section 16(1)(c) of the Companies Act, paragraph 10.5 of Schedule 10 of the Listings Requirements and the EOH MOI. The effect of Special Resolution number 2 is that, following the filing of the New EOH MOI with the CIPC, the New EOH MOI shall be adopted by the Company. Please refer to the Circular, and in particular paragraph 5.7 thereof for further information in respect of the MOI Amendments.

3. SPECIAL RESOLUTION NUMBER 3: AUTHORITY TO ISSUE THE CAPITALISATION SHARES IN TERMS OF SECTION 41(3) OF THE COMPANIES ACT

“Resolved that, conditional upon the passing of Special Resolutions 1 and 2 and Ordinary Resolutions 1, 2, 3 and 4 (save to the extent that such resolutions are conditional upon the passing of this resolution), in terms of section 41(3) of the Companies Act and the EOH MOI, the Company be and is hereby authorised to issue the Capitalisation Shares to BEE SPV 2 on the Maturity Date, the number of which shall be determined in accordance with the A Share Formula, for purposes of implementing the Capitalisation Issue and on the terms and subject to the conditions applicable to the EOH A Shares as set out in the New EOH MOI and as envisaged in the Relationship Agreement.”

Voting in respect of Special Resolution 3

The percentage of voting rights required for Special Resolution number 3 to be adopted is at least 75% of all the voting rights exercised on this resolution.

Reason and effect of Special Resolution 3

The reason for Special Resolution number 3 is to authorise the Company to issue the Capitalisation Shares, determined in accordance with the A Share Formula, which may amount to an issue of EOH Ordinary Shares in excess of 30% of the issued share capital of EOH, as contemplated in section 41(3) of the Companies Act. The effect of Special Resolution number 3 is that the Company will issue the Capitalisation Shares to BEE SPV 2 on the Maturity Date, the number of which shall be determined in accordance with the A Share Formula. Please refer to the Circular, and in particular paragraph 5.5 thereof for further information in respect of the issue of the Capitalisation Shares pursuant to the Capitalisation Issue.

ORDINARY RESOLUTIONS

1. ORDINARY RESOLUTION NUMBER 1: APPROVAL OF THE SPECIFIC ISSUE OF THE SUBSCRIPTION EOH ORDINARY SHARES IN TERMS OF PARAGRAPH 5.51 OF THE LISTINGS REQUIREMENTS

“Resolved that, conditional upon the passing of Special Resolutions 1, 2 and 3 and Ordinary Resolutions 2, 3 and 4 (save to the extent that such resolutions are conditional upon the passing of this resolution), in terms of paragraph 5.51 of the Listings Requirements and the EOH MOI, the Company be and is hereby authorised, by way of a specific authority, to allot and issue the Subscription EOH Ordinary Shares to BEE SPV 1 for an aggregate cash subscription price of R250 000 000, on the terms and subject to the conditions of the Subscription Agreement.”

Voting in respect of Ordinary Resolution 1

The percentage of voting rights required for Ordinary Resolution number 1 to be adopted is at least 75% of the votes cast in favour of this resolution by all Shareholders (excluding Lebashe and its associates) present in person or represented by proxy at the General Meeting.

Reason and effect of Ordinary Resolution 1

The reason for Ordinary Resolution number 1 is to authorise the Company to issue the Subscription EOH Ordinary Shares to BEE SPV 1 by way of a specific issue for cash in terms of paragraph 5.51 of the Listings Requirements. The effect of Ordinary Resolution number 1 is that the Company will issue the Subscription EOH Ordinary Shares to BEE SPV 1, for an aggregate cash subscription price of R250 000 000, for purposes of implementing the Initial Subscription. Please refer to the Circular, and in particular paragraph 5.4 thereof, for further information in respect of the issue of the Subscription EOH Ordinary Shares pursuant to the Initial Subscription.

2. ORDINARY RESOLUTION NUMBER 2: APPROVAL OF THE SPECIFIC ISSUE OF THE SUBSCRIPTION EOH A SHARES IN TERMS OF PARAGRAPH 5.51 OF THE LISTINGS REQUIREMENTS

“Resolved that, conditional upon the passing of Special Resolutions 1, 2 and 3 and Ordinary Resolutions 1, 3 and 4 (save to the extent that such resolutions are conditional upon the passing of this resolution), in terms of paragraph 5.51 of the Listings Requirements, the Company be and is hereby authorised, by way of a specific authority, to allot and issue the Subscription EOH A Shares to BEE SPV 2 for a nominal aggregate subscription price of R1.00, on the terms and subject to the conditions of the Subscription Agreement.”

Voting in respect of Ordinary Resolution 2

The percentage of voting rights required for Ordinary Resolution number 2 to be adopted is at least 75% of the votes cast in favour of this resolution by all Shareholders (excluding Lebashe and its associates) present in person or represented by proxy at the General Meeting.

Reason and effect of Ordinary Resolution 2

The reason for Ordinary Resolution number 2 is to authorise the Company to issue the Subscription EOH A Shares to BEE SPV 2 by way of a specific issue for cash in terms of paragraph 5.51 of the Listings Requirements. The effect of Ordinary Resolution number 2 is that the Company will issue the Subscription EOH A Shares to BEE SPV 2, for a nominal aggregate subscription price of R1.00, for purposes of implementing the A Share Issue. Please refer to the Circular, and in particular paragraph 5.5 thereof, for further information in respect of the issue of the Subscription EOH A Shares pursuant to the A Share Issue.

3. ORDINARY RESOLUTION NUMBER 3: APPROVAL OF THE SPECIFIC ISSUE OF THE CAPITALISATION SHARES IN TERMS OF PARAGRAPH 5.51 OF THE LISTINGS REQUIREMENTS

“Resolved that, conditional upon the passing of Special Resolutions 1, 2 and 3 and Ordinary Resolutions 1, 2 and 4 (save to the extent that such resolutions are conditional upon the passing of this resolution), in terms of paragraph 5.51 of the Listings Requirements, the Company be and is hereby authorised, by way of a specific authority, to allot and issue the Capitalisation Shares to BEE SPV 2 on the Maturity Date, the number of which shall be determined in accordance with the A Share Formula, on the terms and subject to the conditions applicable to the EOH A Shares as set out in the New EOH MOI and as envisaged in the Relationship Agreement.”

Voting in respect of Ordinary Resolution 3

The percentage of voting rights required for Ordinary Resolution number 3 to be adopted is at least 75% of the votes cast in favour of this resolution by all Shareholders (excluding Lebashe and its associates) present in person or represented by proxy at the General Meeting.

Reason and effect of Ordinary Resolution 3

The reason for Ordinary Resolution number 3 is to authorise the Company to issue the Capitalisation Shares to BEE SPV 2 by way of a specific issue for cash in terms of paragraph 5.51 of the Listings Requirements. The effect of Ordinary Resolution number 3 is that the Company will issue the Capitalisation Shares to BEE SPV 2 on the Maturity Date, the number of which shall be determined in accordance with the A Share Formula, for purposes of implementing the Capitalisation Issue. Please refer to the Circular, and in particular paragraph 5.5 thereof, for further information in respect of the issue of the Capitalisation Shares pursuant to the Capitalisation Issue.

4. ORDINARY RESOLUTION NUMBER 4: APPROVAL OF THE SPECIFIC ISSUE OF THE SUBSCRIPTION UNDERTAKING SHARES IN TERMS OF PARAGRAPH 5.51 OF THE LISTINGS REQUIREMENTS

“Resolved that, conditional upon the passing of Special Resolutions 1, 2 and 3 and Ordinary Resolutions 1, 2 and 3 (save to the extent that such resolutions are conditional upon the passing of this resolution), in terms of paragraph 5.51 of the Listings Requirements and the EOH MOI, the Company be and is hereby authorised, by way of a specific authority, to allot and issue the Subscription Undertaking Shares to Lebashe Financial Services for an aggregate cash subscription price of R750 000 000, on the terms and subject to the conditions of the Subscription Undertaking Agreement.”

Voting in respect of Ordinary Resolution 4

The percentage of voting rights required for Ordinary Resolution number 4 to be adopted is at least 75% of the votes cast in favour of this resolution by all Shareholders (excluding Lebashe and its associates) present in person or represented by proxy at the General Meeting.

Reason and effect of Ordinary Resolution 4

The reason for Ordinary Resolution number 4 is to authorise the Company to issue the Subscription Undertaking Shares to Lebashe Financial Services by way of a specific issue for cash in terms of paragraph 5.51 of the Listings Requirements. The effect of Ordinary Resolution number 4 is that the Company will issue the Subscription Undertaking Shares to Lebashe Financial Services, for an aggregate cash subscription price of R750 000 000, for purposes of implementing the Subscription Undertaking. Please refer to the Circular, and in particular paragraph 5.6 thereof, for further information in respect of the issue of the Subscription Undertaking Shares pursuant to the Subscription Undertaking.

RECORD DATE

The record date, in terms of section 59 of the Companies Act, for Shareholders to be recorded in the Register in order to:

- receive the Notice of General Meeting is **Friday, 10 August 2018**; and
- attend, participate in and vote at the General Meeting is **Friday, 7 September 2018** and, accordingly, the last day to trade in order to be eligible to vote at the General Meeting is **Tuesday, 4 September 2018**.

PROXIES

A Shareholder entitled to attend, participate in and vote at the General Meeting is entitled to appoint one or more proxies to attend, participate in and vote in his or her stead. A proxy need not be a Shareholder. For the convenience of Certificated Shareholders and Dematerialised Shareholders with “*own name*” registration, the Form of Proxy is attached.

Duly completed Forms of Proxy must be lodged with the Transfer Secretaries not less than 48 hours before the commencement of the General Meeting or be handed to the chairman of the General Meeting before the appointed proxy exercises any of the relevant shareholder rights at the General Meeting.

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

In compliance with the provisions of section 58(8)(b)(i) of the Companies Act, a summary of the rights of a Shareholder to be represented by proxy, as set out in section 58 of the Act, is set out in the Form of Proxy attached.

VOTING

On a show of hands, every Shareholder present in person or represented by proxy shall have only one vote. On a poll, every Shareholder present in person or represented by proxy shall have one vote for every EOH Ordinary Share held in the Company by such Shareholder.

Pursuant to section 48(2)(b)(ii) of the Companies Act, the votes of EOH Ordinary Shares held by Subsidiaries of EOH may not be exercised with respect to the Resolutions. Accordingly, V55 Investments will not be entitled to vote its EOH Ordinary Shares in respect of any of the Resolutions.

Pursuant to Schedule 14 of the Listings Requirements, the EOH Share Trust will not be entitled to vote its EOH Ordinary Shares in respect of the Ordinary Resolutions 1, 2, 3 and 4 to be proposed at the General Meeting.

PROOF OF IDENTIFICATION REQUIRED

In terms of section 63(1) of the Companies Act, any Shareholder or proxy who intends to attend or participate at the General Meeting must be able to present reasonably satisfactory identification at the General Meeting for such Shareholder or proxy to attend and participate in the General Meeting. A green bar-coded or smart card identification document, issued by the South African Department of Home Affairs, a driver's license or a valid passport will be accepted as sufficient identification.

ELECTRONIC PARTICIPATION

Shareholders or their proxies may participate in (but not vote at) the General Meeting by way of telephone conference call. If they wish to do so they:

- must contact EOH's company secretary (by email at the address adri.els@eoh.co.za) **by no later than 14h00 on Friday, 14 September 2018** in order to obtain dial-in details for the conference call;
- will be required to provide reasonably satisfactory identification; and
- will be billed separately by their own telephone service providers for their telephone call to participate in the General Meeting.

Shareholders or their proxies will not be able to vote telephonically at the General Meeting and will still need to appoint a proxy or representative to attend the General Meeting in person and to vote on their behalf at the General Meeting (refer to the section entitled "Voting, Attendance and Representation at the General Meeting" commencing on page 3 of this Circular).

By order of the Board



Adri Els
Company Secretary

Tuesday, 14 August 2018



EOH HOLDINGS LIMITED
(Incorporated in the Republic of South Africa)
(Registration number 1998/014669/06)
JSE Share code: EOH
ISIN: ZAE000071072
("EOH" or the "Company")

FORM OF PROXY (FOR USE BY CERTIFICATED SHAREHOLDERS AND DEMATERIALISED SHAREHOLDERS WITH "OWN NAME" REGISTRATION)

The definitions and interpretations commencing on page 5 of the Circular to which this form is attached, apply to this form, unless a word or a term is otherwise defined herein.

This Form of Proxy is **only** for use by:

- Certificated Shareholders; and
- Dematerialised Shareholders with "own name" registration,

in respect of the General Meeting of EOH Shareholders to be held at the registered office of the Company, at EOH Business Park, Ground Floor, Block D, 1 Osborne Lane, Gillooly's View, Bedfordview at **14h00 on Tuesday, 18 September 2018**, and at any postponement or adjournment thereof.

Shareholders who have Dematerialised their EOH Ordinary Shares with a Broker or CSDP, other than with "own name" registration, must arrange with the Broker or CSDP concerned to provide them with the necessary letter of representation to attend the General Meeting or the Shareholders concerned must instruct their Broker or CSDP as to how they wish to vote in this regard. This must be done in terms of the agreement entered into between the Shareholder and the Broker or CSDP concerned.

I / We _____ (Full names in block letters)

of _____ (address)

Telephone(work) _____ (home) _____

Mobile _____ (email) _____

being the holder / custodian of _____ EOH Ordinary Shares, hereby appoint (see notes 1 and 2):

1. _____ or failing him / her,

2. _____ or failing him / her,

the chairman of the General Meeting, as my / our proxy to attend, participate in and act on my / our behalf at the General Meeting (and at any postponement or adjournment thereof) and, on a poll or on a show of hands, to vote in my stead and to vote for or against the Resolutions or abstain from voting thereon in respect of the EOH Ordinary Shares registered in my / our name(s), in accordance with the following instructions (see note 3):

	For	Against	Abstain
Special Resolution number 1: Approval of the creation of EOH A Shares			
Special Resolution number 2: Authorisation for the amendment of the EOH MOI			
Special Resolution number 3: Authority to issue the Capitalisation Shares in terms of section 41(3) of the Companies Act			
Ordinary Resolution number 1: Approval of the specific issue of the Subscription EOH Ordinary Shares in terms of paragraph 5.51 of the Listings Requirements			
Ordinary Resolution number 2: Approval of the specific issue of the Subscription EOH A Shares in terms of paragraph 5.51 of the Listings Requirements			
Ordinary Resolution number 3: Approval of the specific issue of the Capitalisation Shares in terms of paragraph 5.51 of the Listings Requirements			
Ordinary Resolution number 4: Approval of the specific issue of the Subscription Undertaking Shares in terms of paragraph 5.51 of the Listings Requirements			

Please indicate with an "X" or the relevant number of EOH Ordinary Shares, in the applicable space, how you wish your votes to be cast. Unless otherwise directed, the proxy will vote as he/she deems fit.

Signed at _____ on _____ 2018

Signature(s) _____ Capacity _____

Assisted by (where applicable) _____ Signature _____

Please read the notes on the reverse side hereof.

SUMMARY OF RIGHTS CONTAINED IN SECTION 58 OF THE COMPANIES ACT

In terms of section 58 of the Companies Act:

- a shareholder of a company 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;
- any appointment by a shareholder of a proxy is revocable, unless the form of instrument used to appoint such proxy states otherwise;
- if an appointment of a proxy is revocable, a shareholder may revoke the proxy appointment by (i) cancelling it in writing, or making a later inconsistent appointment of a proxy and (ii) delivering a copy of the revocation instrument to the proxy and to the relevant company;
- a proxy appointed by a shareholder is entitled to exercise, or abstain from exercising, any voting right of such shareholder without direction, except to the extent that the relevant company's memorandum of incorporation, or the instrument appointing the proxy, provides otherwise;
- if the instrument appointing a proxy or proxies has been delivered by a shareholder to a company, then, for so long as that appointment remains in effect, any notice that is required in terms of the Companies Act or such company's Memorandum of Incorporation to be delivered to a shareholder must be delivered by such company to:
 - the relevant shareholder; or
 - the proxy or proxies, if the relevant shareholder has: (i) directed such company to do so, in writing and (ii) paid any reasonable fee charged by such company for doing so; and
- if a company issues an invitation to its shareholders to appoint 1 (one) or more persons named by the company as a proxy, or supplies a form of proxy instrument:
 - the invitation must be sent to every shareholder entitled to notice of the meeting at which the proxy is intended to be exercised;
 - the invitation or form of proxy instrument supplied by the company must:
 - bear a reasonably prominent summary of the rights established in section 58 of the Companies Act;
 - contain adequate blank space, immediately preceding the name(s) of any person(s) named in it, to enable a shareholder to write the name and, if desired, an alternative name of a proxy chosen by the shareholder; and
 - provide adequate space for the shareholder to indicate whether the appointed proxy is to vote in favour of or against any resolution(s) to be put at the meeting, or is to abstain from voting;
 - the company must not require that the proxy appointment be made irrevocable; and
 - the proxy appointment remains valid only until the end of the meeting at which it was intended to be used.

NOTES:

1. A Shareholder is entitled to appoint one or more proxies (who need not be a Shareholder) to attend, participate in, and on a poll, vote in place of that Shareholder at the General Meeting.
2. A Shareholder may insert the name of a proxy or the names of 2 alternate proxies of the Shareholder's choice in the space(s) provided, with or without deleting "*the chairman of the General Meeting*". The person whose name stands first on the Form of Proxy and who is present at the General Meeting will be entitled to act as proxy to the exclusion of those whose names follow.
3. A Shareholder should insert an "x" in the relevant space according to how the Shareholder wishes his / its votes to be cast. However, if a Shareholder wishes to cast a vote in respect of a lesser number of Shares than that which he / it holds, such Shareholder should insert the number of Shares held in respect of which he / it wishes to vote or abstain from voting. If a Shareholder fails to comply with the above then such Shareholder will be deemed to have authorised the proxy to vote or to abstain from voting at the General Meeting as such proxy deems fit in respect of all of the Shareholders' votes exercisable at the General Meeting. A Shareholder is not obliged to exercise the votes in respect of all of the Shares held by him / her / it, but the total votes cast and abstentions recorded may not exceed the total number of the votes exercisable by the Shareholder.
4. The completion and lodging of this Form of Proxy will not preclude the relevant Shareholder from attending the General Meeting and speaking and voting in person to the exclusion of any proxy appointed in terms hereof, should such Shareholder wish to do so.
5. The chairman of the General Meeting may reject or accept any Form of Proxy which is not completed and / or received in accordance with the Circular and the instructions set out herein.
6. Shareholders who have Dematerialised their Shares with a Broker or CSDP, other than those with "*own name*" registration, must arrange with the Broker or CSDP concerned to provide them with the necessary letter of representation to attend the General Meeting or the Shareholders concerned must instruct their Broker or CSDP as to how they wish the votes in respect of their Shares to be voted at the General Meeting. This must be done in terms of the agreement entered into between the Shareholder and the Broker or CSDP concerned.
7. Any alteration to this Form of Proxy, other than the deletion of alternatives, must be signed, not merely initialled, by the signatory/ies.
8. If this Form of Proxy is signed under a power of attorney, then such power of attorney or a notarially certified copy thereof must be sent with this Form of Proxy, unless it has previously been recorded by EOH or the Transfer Secretaries.
9. Documentary evidence establishing the authority of a person signing this Form of Proxy in a representative capacity (e.g. on behalf of a company, trust/ees, pension fund, deceased estate, etc.) must be attached to this Form of Proxy, unless previously recorded by EOH or the Transfer Secretaries or waived by the chairman of the General Meeting.
10. A minor or any other person with legal incapacity must be assisted by his / her parent or guardian, unless the relevant documents establishing his / her capacity are produced or have been recorded by EOH or the Transfer Secretaries.
11. Where there are joint holders of Shares:
 - a. any one holder may sign the Form of Proxy; and
 - b. the vote of the senior joint holder, who tenders a vote, as determined by the order in which the names stand in the Register, will be accepted.
12. Forms of Proxy should be lodged with or mailed to the Transfer Secretaries as follows:

Hand deliveries to: Computershare Investor Services Proprietary Limited
Rosebank Towers, 15 Biermann Avenue
Rosebank, Johannesburg, 2196

Postal deliveries to: Computershare Investor Services Proprietary Limited
PO Box 61051
Marshalltown, 2107

Email to: Computershare Investor Services Proprietary Limited
proxy@computershare.co.za

so as to be received by the Transfer Secretaries by not later than 48 hours prior to the General Meeting, being **14h00 on Friday, 14 September 2018**. Should the Form of Proxy not be delivered to the Transfer Secretaries by this time, the Form of Proxy must be handed to the chairman of the General Meeting before the appointed proxy exercises any of your shareholder rights at the General Meeting.