

THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

The definitions and interpretations commencing on page 9 of this Circular apply throughout this Circular including this cover page.

Action required

This Circular is important and should be read in its entirety with particular attention to be given to the “Action Required by Shareholders” section of this Circular, which sets out the action required by Shareholders in respect of the matters dealt with in this Circular. If you are in any doubt as to the action you should take in relation to this Circular, please consult your Broker, CSDP, banker, attorney, accountant or other professional adviser immediately.

If you have disposed of all your EOH Shares, then this Circular should be forwarded to the purchaser to whom, or Broker, CSDP or other agent through whom you disposed of your EOH Shares.

EOH does not accept any responsibility and will not be held liable for any failure on the part of the Broker or CSDP of any holder of Dematerialised Shares to notify such Shareholder of this Circular and/or 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”)

CIRCULAR TO EOH SHAREHOLDERS

regarding:

- the approval of the proposed increase in the Company’s authorised but unissued Share capital by a further 7 000 000 000 EOH Shares to an aggregate of 7 500 000 000 authorised EOH Shares for the purposes of the Rights Offer and the Specific Issue;
- amendment of the terms of the A Shares, comprising an amendment of a previously approved specific issue of shares requiring the approval of Shareholders in terms of Section 5.51 of the Listings Requirements;
- consequential changes to the Memorandum of Incorporation to reflect the proposed changes in the number of authorised Shares, and the terms of the A Shares;
- a specific issue of Shares for cash to a subsidiary of Lebashe Investment Group, a material Shareholder and related party in terms of the Listings Requirements;
- the approval in accordance with section 41 of the Companies Act of the ability of the Board to issue new EOH Shares as are required for and pursuant to the implementation of the proposed Rights Offer to Shareholders and the specific issue of Shares to Lebashe, which new EOH Shares may have voting power equal to or in excess of 30% of the existing voting power of all the issued Ordinary Share capital of the Company immediately prior to such issue and/or may be issued to Directors or prescribed officers of the Company or persons related to them;
- placing the authorised but unissued Shares of the Company under the control of the Directors solely for the purposes of implementing the Rights Offer; and

incorporating

- a notice of General Meeting; and
- a form of proxy to be used by Certificated Shareholders and “Own-name” Dematerialised Shareholders only.

Date of issue: Monday, 14 November 2022

This Circular is available in English only. Copies may be obtained from the registered office of EOH during normal business hours (excluding Saturdays, Sundays and South African public holidays) from the date of this Circular up to and including Tuesday, 13 December 2022.

The Circular will also be available in electronic form on the Company’s website at <https://www.eoh.co.za/investor-relations/shareholder-meetings/> from Monday, 14 November 2022.

Joint Financial Advisor



Rand Merchant Bank
(a division of FirstRand
Bank Limited)

Joint Financial Advisor
and Transaction Sponsor



The Standard Bank
of South Africa Limited

South African Legal
Advisor to EOH



DLA Piper Advisory Services
Proprietary Limited

Legal Advisor to Joint
Financial Advisors



Bowmans Gilfillan
Incorporated

Independent Reporting
Accountant



PricewaterhouseCoopers
Incorporated

Independent Expert



Nodus Capital TS
Proprietary Limited

CERTAIN FORWARD-LOOKING STATEMENTS

This Circular contains statements about EOH that are or may be forward-looking statements. All statements, other than statements of historical fact, are, or may be deemed to be, forward-looking statements, including, without limitation, those concerning: strategy; the economic outlook; cash costs and other operating results; growth prospects and outlook for operations, individually or in the aggregate; liquidity and capital resources and expenditure and the outcome and consequences of any pending litigation proceedings. These forward-looking statements are not based on historical facts, but rather reflect current expectations concerning future results and events and generally may be identified by the use of forward-looking words or phrases such as “believe”, “aim”, “expect”, “anticipate”, “intend”, “foresee”, “forecast”, “likely”, “should”, “planned”, “may”, “estimated”, “potential” or similar words and phrases.

Examples of forward-looking statements include statements regarding a future financial position or future profits, cash flows, corporate strategy, estimates of capital expenditures, acquisition strategy, or future capital expenditure levels.

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

All these forward-looking statements are based on estimates and assumptions, all of which estimates and assumptions, although EOH may consider them to be reasonable, are inherently uncertain. Such estimates, assumptions or statements may not eventuate. Many factors (including factors not yet known to EOH, or not currently considered material), could cause the actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied in those estimates, statements or assumptions.

EOH Shareholders should keep in mind that any forward-looking statement made in this Circular or elsewhere is applicable only at the date on which such forward-looking statement is made. New factors may emerge from time to time that could cause the business of EOH or other matters to which such forward-looking statements relate, not to develop as expected and it is not possible to predict all of them. Further, the extent to which any factor or combination of factors may cause actual results to differ materially from those contained in any forward-looking statement are not known. EOH has no duty to, and does not intend to, update or revise the forward-looking statements contained in this Circular after the date of this Circular, except as may be required by law.

CORPORATE INFORMATION AND ADVISORS

Directors of EOH

Executive

Stephen van Coller (Group Chief Executive Officer)
Megan Pydigadu (Group Chief Financial Officer)
Fatima Newman (Group Chief Risk Officer)

Non-executive

Andrew Mthembu (Chairman)*
Nosipho Molope*
Bharti Harie*
Andrew Marshall*
Mike Bosman*
Jesmane Boggenpoel*
Sipho Ngidi*
Jabu Moleketi

**Independent*

Joint Financial Advisor

Rand Merchant Bank
(A division of FirstRand Bank Limited)
(Registration Number 1929/001225/06)
1 Merchant Place
Corner Fredman Drive and Rivonia Road
Sandton, 2196
South Africa
(PO Box 786273, Sandton, 2146)

Legal Advisor to EOH as to South African law

DLA Piper Advisory Services Proprietary Limited
(Registration Number 2015/222271/07)
6th Floor
61 Katherine Street
Sandton, 2196
South Africa
(Private Bag X17, Benmore, 2010)

Transfer Secretaries

Computershare Investor Services Proprietary Limited
(Registration number: 2004/003647/07)
Rosebank Towers
15 Biermann Avenue
Rosebank, 2196
South Africa
(Private Bag X9000, Saxonwold, 2132)

Date and place of incorporation of EOH

Incorporated in the Republic of South Africa on 29 July 1998

Company Secretary and Registered Office

Mpeo Nkuna
EOH Office Park
First Floor
Block E
Pinmill Farm
164 Katherine Street
Sandton, 2148
South Africa
(PO Box 59, Bruma, 2026)

Joint Financial Advisor and Transaction Sponsor

The Standard Bank of South Africa Limited
(Registration Number 1962/000738/06)
30 Baker Street, Rosebank
Johannesburg, 2196
South Africa
(PO Box 61344, Marshalltown, 2107)

Legal Advisor to Joint Financial Advisors

Bowman Gilfillan Incorporated.
(Registration Number 1998/021409/21)
11 Alice Lane
Sandton, 2196
South Africa
(PO Box 785812, Sandton, 2146)

Independent Reporting Accountant and Auditor

PricewaterhouseCoopers Incorporated
(Registration number: 1998/012055/21)
4 Lisbon Lane
Waterfall City
Jukskei View
Johannesburg. 2090
South Africa
(PO Box X36, Sunninghill, 2157)

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ACTION REQUIRED BY SHAREHOLDERS

This Circular is important and requires your immediate attention.

The definitions and interpretations commencing on page 6 of this Circular have, where appropriate, been used in this section.

THE GENERAL MEETING

A General Meeting of EOH Shareholders will be held at 10:30 on Tuesday, 13 December 2022 and will be conducted entirely by electronic participation as contemplated in section 63(2)(a) of the Companies Act and provided for by the Memorandum of Incorporation for the purpose of considering and, if deemed fit, passing, with or without modification, the resolutions required to be approved by Shareholders in order to authorise and implement the Capital Raise and the A Share Amendments. Shareholders will accordingly only be able to access, speak and vote at, and participate in, the General Meeting via an electronic facility. Further details on the steps that need to be taken in order to access the electronic facility are provided in the Notice of General Meeting, which is attached to and forms part of this Circular.

CERTIFICATED SHAREHOLDERS AND OWN-NAME DEMATERIALIZED SHAREHOLDERS

Certificated Shareholders and own-name Dematerialised Shareholders who are unable to attend the General Meeting but who wish to be represented thereat are requested to complete and return the attached form of proxy in accordance with the instructions contained therein. The duly completed forms of proxy are requested to be received by the Transfer Secretaries by no later than 10:30 on Friday, 9 December 2022. Any form of proxy not delivered by this time may be delivered to the Transfer Secretaries at the General Meeting or to the chairperson of the General Meeting prior to the commencement of the General Meeting or at any time prior to voting on any resolution proposed at the General Meeting.

DEMATERIALIZED SHAREHOLDERS WITHOUT OWN-NAME REGISTRATION

Dematerialised Shareholders who have not elected own-name registration and who wish to attend the General Meeting must instruct their CSDP or Broker timeously in order for such CSDP or Broker to issue them with the necessary Letter of Representation.

Dematerialised Shareholders who have not elected own-name registration and who do not wish to attend the General Meeting but wish to vote thereat, must provide their CSDP or Broker with their instruction for voting at the General Meeting in the manner stipulated in the agreement governing the relationship between such Shareholders and their CSDP or Broker. These instructions must be provided to the CSDP or Broker by the cut-off time and date advised by the CSDP or Broker for instructions of this nature. Such Shareholders should **not** complete the form of proxy.

EOH does not accept any responsibility and will not be held liable for any failure on the part of the CSDP or Broker of a Dematerialised Shareholder to notify such Shareholder of the General Meeting or any business to be conducted thereat.

ELECTRONIC PARTICIPATION

The Company has retained the services of Computershare to host the General Meeting on an interactive platform and to facilitate electronic participation and voting by Shareholders.

Shareholders who wish to electronically participate in and/or vote at the General Meeting are required to register online at www.meetnow.global/za by no later than 10:30 on Friday, 9 December 2022. Shareholders may still register online to participate in and/or vote electronically at the General Meeting after this date and time, provided, however, for those Shareholders to participate and/or vote electronically at the General Meeting, they must be verified and registered before the commencement of the General Meeting.

In terms of section 63(1) of the Companies Act, before any person may speak or vote at, or participate in, the General Meeting, that person must present reasonably satisfactory identification, and the person presiding at the General Meeting must be reasonably satisfied that the right of that person to speak and vote at, and participate in, the General Meeting, either as a Shareholder, or as a proxy for a Shareholder, has been reasonably verified. As part of the registration process you will be requested to upload proof of identification. Acceptable forms of identification include a valid green barcoded or smart card identification document issued by the South African Department of Home Affairs, a South African driver's licence or a valid passport. A Shareholder or its proxy must electronically provide the necessary proof of its identification in accordance with the relevant provisions of the Notice of General Meeting, such as his/her/its full name, email address and contact number, before such person will be entitled to speak and vote at, and participate in, the General Meeting. If the Shareholder is not an individual, the necessary proof of identification of the representative (such as her/his valid green barcoded, or smart card identification document issued by the South African Department of Home Affairs, South African driver's licence or valid passport) must be accompanied by a copy of a resolution by the relevant entity which sets out that the representative is authorised to represent the relevant entity at the General Meeting. Following successful registration, the Transfer Secretaries will provide the Shareholder or proxy of a Shareholder with a link and invitation code in order to connect electronically to the General Meeting. General Meeting participation will be through the Computershare website by following the steps set out at www.meetnow.global/za.

While the Company will bear all costs for hosting the General Meeting by way of a remote interactive electronic platform, Shareholders will be liable for their own network charges in relation to electronic participation in and/or voting at the General Meeting. Any such charges will not be for the account of the JSE, the Company and/or Computershare. None of the JSE, the Company or Computershare can be held accountable in the case of loss of network connectivity or other network failure due to insufficient airtime, internet connectivity, internet bandwidth and/or power outages which prevents any such Shareholder from participating in and/or voting at the General Meeting.

VOTING PROCEDURE AND QUORUM FOR THE GENERAL MEETING

The quorum requirement for the General Meeting to begin or for a matter to be considered at the General Meeting is at least three Shareholders present in person or represented by proxy (and if the Shareholder is a body corporate, the representative of the body corporate), and entitled to vote at the General Meeting, and in addition:

- the General Meeting may not begin until sufficient persons are present in person or represented by proxy to exercise, in aggregate, at least 25% of the voting rights that are entitled to be exercised in respect of at least one matter to be decided at the General Meeting; and
- a matter to be decided at the General Meeting may not begin to be considered unless sufficient persons are present in person or represented by proxy to exercise, in aggregate, at least 25% of all of the voting rights that are entitled to be exercised in respect of that matter.

Every Shareholder present in person or represented by proxy and entitled to exercise voting rights at the General Meeting shall be entitled to vote on a show of hands, irrespective of the number of voting rights that Shareholder would otherwise be entitled to exercise. On a poll, any person who is present at the General Meeting, whether as a Shareholder or as proxy for a Shareholder, has the number of votes determined in accordance with the voting rights associated with the Shares held by that Shareholder.

SALIENT DATES AND TIMES

The definitions and interpretations commencing on page 6 of this Circular apply, *mutatis mutandis*, to the following salient dates and times:

	2022
Posting Record Date	Friday, 4 November
Date of issue of Circular and notice of General Meeting published on SENS	Monday, 14 November
Last Day to Trade to participate in and vote at the General Meeting	Tuesday, 29 November
Voting Record Date to participate in and vote at the General Meeting	Friday, 2 December
Written notice to participate electronically in the General Meeting to be delivered to EOH's offices (marked for the attention of the Company secretary) by 10:30 ⁶	Friday, 9 December
Proxy Forms to be lodged with the Transfer Secretaries as soon as possible for administrative purposes only and, (preferably by 10:30), (but in any event before the proxy exercises any rights of the EOH Shareholder appointing the proxy at the General Meeting) ⁵	Friday, 9 December
General Meeting to be held at 10:30	Tuesday, 13 December
Results of General Meeting released on SENS	Tuesday, 13 December
Results of General Meeting published in the South African press	Wednesday, 14 December

Notes:

1. *The above dates and times are subject to amendment. Any such material amendment will be released on SENS and published in the South African press.*
2. *All times quoted in the Circular are local times in South Africa on a 24-hour basis, unless specified otherwise.*
3. *Shareholders are reminded that Shares can only be traded on the JSE in Dematerialised form. No orders to Dematerialise or rematerialise Shares will be processed from the Business Day following the Last Day to Trade up to and including the Voting Record Date, but such orders will again be processed from the first Business Day after the Voting Record Date.*
4. *The certificated register will be closed between the Last Day to Trade and the Voting Record Date.*
5. *If the General Meeting is adjourned or postponed, forms of proxy submitted for the General Meeting will remain valid in respect of any adjournment or postponement of the General Meeting unless the contrary is stated on such form of proxy.*
6. *Shareholders may still register online to participate in and/or vote electronically at the General Meeting after this date and time, provided; however, for those Shareholders to participate and/or vote electronically at the General Meeting, they must be verified and registered before the commencement of the General Meeting.*

DEFINITIONS AND INTERPRETATIONS

In this Circular, unless the context indicates otherwise: (i) references to the singular shall include the plural and vice versa; (ii) words and expressions denoting one gender include the other; (iii) words and expressions denoting natural persons include juristic persons and vice versa; and (iv) cognate words and expressions shall bear corresponding meanings. The following words and expressions have the meanings assigned to them below (but shall not be applicable to Annexure 1, which contains its own definitions):

“2018 Empowerment Transaction”	the transactions set out in the circular to EOH Shareholders dated 20 August 2018 in terms of which various specific issues of Ordinary Shares and A Shares to entities in the Lebashe Group were implemented, as detailed further in paragraph 1;
“Amended and Restated Relationship Agreement”	the amended and restated relationship agreement concluded on 20 August 2021 between EOH and a number of entities in the Lebashe Group in terms of which the parties amended and restated certain terms of the 2018 Empowerment Transaction following an internal restructure in the Lebashe Group;
“Amended ICT Sector Code”	the Amended Information and Communication Technology Sector Code issued in terms of the Broad-Based Black Economic Empowerment Act 53 of 2003, as amended, on 7 November 2016;
“A Shares”	unlisted redeemable A shares in the authorised share capital of the Company (of which 100% is held by Lebashe E A Shares (RF) Proprietary Limited, an indirect wholly-owned subsidiary of Lebashe Investment Group), having the preferences, rights, limitations and other terms set out in clause 39 of the Company’s MOI (including voting rights <i>pari passu</i> to that of the Ordinary Shares), of which an extract is set out in Annexure 4 of this Circular;
“A Share Amendments”	the proposed amendments to the preferences, rights, limitations and other terms of the A Shares as set out in clause 39 of the Company’s MOI to: (i) extend the maturity date of the A Shares by five years; and (ii) change the strike price in the formula to calculate the number of Ordinary Shares to be issued to the holder of the A Shares as capitalisation shares on maturity of the A Shares, as well as the entitlement of the holder of the A Shares on winding up of the Company, as set out in more detail in paragraph 6 as well as in Annexure;
“B-BBEE”	Broad-Based Black Economic Empowerment;
“Broker”	any person registered as a broking member in equities in terms of the rules of the JSE in accordance with the provisions of the Financial Markets Act;
“Business Day”	any day other than a Saturday, Sunday or official public holiday in South Africa;
“CAGR”	compound annual growth rate;
“Capital Raise”	the Rights Offer and Specific Issue;
“Certificated Shareholders”	EOH Shareholders who hold Certificated Shares;
“Certificated Shares”	EOH Shares which are not Dematerialised in terms of the requirements of Strate, title to which is represented by a share certificate or other Documents of Title;
“CIPC”	the Companies and Intellectual Property Commission, established in terms of section 185 of the Companies Act;
“Circular”	this document, dated Monday, 14 November 2022, including the annexures, Notice of General Meeting and form of proxy contained herein;
“Companies Act”	the Companies Act No. 71 of 2008, as amended or superseded from time to time;
“CSDP”	a central securities depository participant, being a “participant” as defined in section 1 of the Financial Markets Act, appointed by a Shareholder for purposes of, and in regard to, Dematerialisation and to hold and administer securities or an interest in securities on behalf of a Shareholder;
“Dematerialisation” or “Dematerialised”	the process by which physical share certificates are replaced with electronic records evidencing ownership of shares in accordance with the rules of Strate, as contemplated in the Financial Markets Act;
“Dematerialised Shareholders”	EOH Shareholders who hold Dematerialised Shares;
“Dematerialised Shares”	Shares that have been Dematerialised and ownership of which is recorded electronically in an uncertificated securities register of EOH Shareholders administered by a CSDP, which sub-register forms part of the Register;

“EOH Director” or “Directors” or “Board”	the board of directors of EOH, which, as at the Last Practicable Date, comprised the persons whose names appear in “ <i>Corporate information and advisors</i> ”, which, for the avoidance of doubt, excludes alternate directors for purposes of the Directors’ responsibility statement;
“Documents of Title”	share certificates or any other documents of title to Certificated Shares acceptable to the Company;
“EOH Group” or “Group”	EOH and its subsidiaries from time to time;
“EOH Shares” or “Ordinary Shares” or “Shares”	ordinary shares of no par value in the share capital of EOH;
“EOH Shareholder” or “Shareholder”	a registered holder of an EOH Share;
“EPS”	earnings per Share;
“Financial Markets Act”	the Financial Markets Act, No. 19 of 2012, as amended or superseded from time to time;
“General Meeting”	the meeting of EOH Shareholders to be held electronically only at 10:30 on Tuesday, 13 December 2022, or any adjournment or postponement thereof, for the purposes of Shareholders (including the holder of the A Shares) considering and, if deemed appropriate, adopting the resolutions set out in the Notice of General Meeting;
“HEPS”	headline earnings per share;
“Hymax SA”	Hymax (SA) Proprietary Limited (Registration number 2000/006285/07), a private company incorporated in accordance with the laws of South Africa and as at the Last Practicable Date 100% owned by Seacom South Africa Proprietary Limited following the acquisition announced on 7 April 2022;
“ICT”	information and communications technology;
“IFRS”	the International Financial Reporting Standards as adopted from time to time by the board of the International Accounting Standards Committee, or its successor body;
“Independent Expert”	Nodus Capital TS Proprietary Limited (Registration number 2014/226782/07), a private company incorporated in accordance with the laws of South Africa;
“Independent Expert Opinion”	the opinion prepared and issued by the Independent Expert in accordance with section 5.51 of the Listings Requirements, attached as Annexure 1 to this Circular, which report sets out the Independent Expert’s fairness opinion as regards to the terms and conditions of the Specific Issue and A Share Amendments;
“Independent Reporting Accountant” or “PwC”	PricewaterhouseCoopers Incorporated (Registration number 1998/012055/21) a personal liability company duly incorporated in accordance with the laws of South Africa and the Group’s reporting accountant for the purposes of the Circular;
“JSE”	the JSE Limited (Registration number 2005/022939/06), a public company incorporated in accordance with the laws of South Africa and licensed to operate an exchange in terms of the Financial Markets Act;
“Last Day to Trade”	the last Business Day to trade EOH Shares in order to settle same and reflect in the Register so as to be eligible to vote on the resolutions set out in the Notice of General Meeting;
“Last Practicable Date”	Wednesday, 2 November 2022, being the last practicable date prior to the finalisation of this Circular;
“Lebashe Group”	Lebashe Investment Group and its direct and indirect subsidiaries from time to time;
“Lebashe Investment Group” or “Lebashe”	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;
“Letter of Representation”	a letter of representation issued by a CSDP or Broker to an EOH Shareholder for the purposes of authorising attendance by the EOH Shareholder at the General Meeting;
“Listings Requirements”	the Listings Requirements of the JSE for the time being;
“Memorandum of Incorporation” or “MOI”	the memorandum of incorporation of EOH in force as at the Last Practicable Date;
“Notice of General Meeting”	the notice of General Meeting forming part of this Circular;
“Own-name Dematerialised Shareholders”	Dematerialised Shareholders who have instructed their CSDP to hold their Dematerialised Shares in their own name on the sub-registers maintained by the CSDP;

“Posting Record Date”	the date determined by the Board in accordance with section 59 of the Companies Act for EOH Shareholders to be eligible to receive the Circular;
“Register”	the register of Certificated Shareholders of the Company maintained by the Transfer Secretaries and each of the sub-registers of Dematerialised Shareholders maintained by the relevant CSDPs in terms of section 50 of the Companies Act;
“Regulations”	the Companies Regulations, 2011, published pursuant to section 223 of the Companies Act as amended from time to time;
“Rights Offer”	the proposed renounceable rights offer of at least R500,000,000 in terms of which the Company will grant an entitlement to its Shareholders to subscribe for the Rights Offer Shares;
“Rights Offer Price”	<p>the price at which the Rights Offer Shares shall be issued, which will be at a market related discount to the theoretical ex-rights price determined at the finalisation date of the Rights Offer and based on the following formula:</p> $TERP = \frac{\text{Current EOH market capital} + \text{Equity raised through the Rights Offer}}{\text{Current EOH Shares in issue} + \text{New rights offer shares issued}}$ <p>Subscription Price = TERP x (1 – discount) New Rights Offer shares issued = Equity raised through the Rights Offer/Rights Offer Price;</p>
“Rights Offer Shares”	the EOH Shares to be issued by the Company pursuant to the Rights Offer;
“RMB”	Rand Merchant Bank, a division of FirstRand Bank Limited, (Registration number 1929/001225/060, a public company incorporated with limited liability under the laws of South Africa;
“SARB”	the South African Reserve Bank, which includes both the Financial Surveillance Department and the Banking Supervisory Department;
“SENS”	the Stock Exchange News Service of the JSE;
“SIU”	Special Investigating Unit;
“South African Press”	the print publication “Business Day”;
“Specific Issue”	the specific issue of Shares for cash to Lebashe Group in terms of which Lebashe Networks Proprietary Limited, or another member of the Lebashe Group nominated by it, will subscribe for, and the Company will issue to it, such number of Shares (rounded off to the nearest whole number) as shall result from dividing: (i) the aggregate cash consideration of R100 000 000 payable by the Lebashe Group member by (ii) the Subscription Price;
“Standard Bank”	The Standard Bank of South Africa Limited (Registration number 1962/000738/06) acting through its Corporate and Investment Banking division;
“Strate”	Strate Proprietary Limited (Registration number 1998/022242/07), a private company incorporated in accordance with the laws of the Republic of South Africa, and a registered central securities depository responsible for the electronic custody and settlement system for transactions that take place on the JSE and off-market trades;
“Strate system”	an electronic custody, clearing and settlement environment, managed by Strate, for all share transactions concluded on the JSE and off-market, and in terms of which transactions in securities are settled and transfers of ownership in securities are recorded electronically;
“Subscription Agreement”	the subscription agreement entered into between EOH and Lebashe Networks Proprietary Limited (Registration number 2018/346312/07), a member of the Lebashe Group dated Wednesday, 9 November 2022 which governs the Specific Issue;
“Subscription Price”	the subscription price in terms of the Specific Issue, being an amount per EOH Share equal to the Rights Offer Price;
“TERP”	the theoretical ex-rights price of EOH Shares after the issue of Shares pursuant to the Rights Offer;
“Transfer Secretaries” or “Computershare”	Computershare Investor Services Proprietary Limited (Registration number 2004/003647/07), a private Company incorporated in accordance with the laws of the Republic of South Africa and who are the transfer secretaries of EOH;
“Transactions”	collectively the Capital Raise (comprising the Rights Offer and the Specific Issue) and the A Share Amendments;
“VAT”	value added tax;
“Voting Record Date”	the date on which EOH Shareholders must be entered in the Register in order to be eligible to speak and vote at, and participate in, the General Meeting, expected being Friday, 9 December 2022; and
“Rand” or “R”	South African Rand, the lawful currency of South Africa.



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

Stephen van Coller (Group Chief Executive Officer)

Megan Pydigadu (Group Chief Financial Officer)

Fatima Newman (Group Chief Risk Officer)

Non-executive

Andrew Mthembu (Chairman)*

Nosipho Molope*

Bharti Harie*

Andrew Marshall*

Mike Bosman*

Jesmane Boggenpoel*

Sipho Ngidi*

Jabu Moleketi

**Independent*

CIRCULAR TO SHAREHOLDERS

1. INTRODUCTION, RATIONALE AND PURPOSE OF THIS CIRCULAR

EOH listed on the JSE in 1998, with a turnover at the time of R12 million and profit after tax of R2 million. The Company initially engaged in IT consulting, outsourcing, and installing enterprise resource planning systems for corporations and then went on to consolidate the fragmented IT sector in South Africa by pursuing a robust acquisition strategy.

For the financial year ended 2018, EOH had grown to become one of the biggest IT companies in South Africa with a market capitalisation in the order of R6 billion. However, the Group comprised of 272 separate legal entities, leading to a lack of coordination, transparency and accountability. In addition, the Group had accumulated a significant debt position in excess of R4.5 billion. Furthermore, under the previous management team EOH's share price and good standing were negatively affected by the Group's links to corrupt activity in the awards of state tenders to EOH. An extended investigation by the new executive management team in 2019 found that there were limited anti-corruption procedures in place, which are critical to the protection of the reputation of the Group.

In 2019 the Group appointed a new Board and management team and embarked on a turnaround strategy that involved addressing the three major concerns within the Group, namely credibility, liquidity and transparency.

Over the past three years, EOH has spent a significant amount of time on its turnaround strategy, which has focused on dealing with the legacy issues inherited by the current management team and refining and revising its capital and corporate structure to stabilise the business (where management's focus has rested primarily on improving the quality of the Company's earnings, reducing costs and solving the substantial legacy debt and inefficient capital structure), and positioning EOH for future growth.

As stated in EOH's final results announcement on Wednesday, 26 October 2022:

- EOH generated a total operating profit of R282 million for the year ended 31 July 2022 following a total operating profit of R147 million for the year ended 31 July 2021, an increase of 92%;
- cash generated from operations was equivalent to 100% of operating profit;
- operating profit from the Company's continuing operations improved 82% on a restated basis to R100 million in FY2022 from R55 million in FY2021; and
- the Company recorded an improvement of 91% in total loss per share to 15 cents for year ended 31 July 2022 from 166 cents in the preceding year.

These positive financial results reflect a major milestone in the successful execution of EOH's turnaround strategy and illustrate the significant progress made in addressing historical compliance, governance and risk failings. With the turnaround of EOH's compliance, governance and risk management largely complete, and in the context of significant improvement in EOH's financial performance, the Board considers it appropriate to focus on optimising EOH's capital structure for future growth by raising equity capital.

Notwithstanding significant progress to date, EOH's deleveraging and liquidity objectives remain incomplete, with EOH continuing to be burdened by its debt commitments and interest obligations which necessitated renegotiation of its debt funding package with its lender group, which was concluded on 1 April 2022. The current funding package comprises a R500 million three year term facility with a bullet payment at 1 April 2025 and a bridge facility payable at 1 April 2023, of which as at 31 July 2022 R832 million is outstanding. Effective from 12 October 2022 the lender group extended the maturity date of the senior bridge facility to 31 December 2023. However the lenders currently view the bridge facility as quasi-equity and consequently are charging an interest rate of Johannesburg Interbank Average Rate plus 8.42%. As at 27 October 2022 this equated to 14.72%. The terms of the refinancing agreements with lenders requires EOH to embark on a Capital Raise process to repay a significant portion of the bridge facility outstanding. Failure to repay the bridge facility in accordance with the lending agreements, may have a significant negative impact on EOH.

The Board has resolved to put in place the necessary measures to be able to proceed with the Capital Raise comprising (i) a renounceable Rights Offer of up to R500 million (or, if the Specific Issue does not take place, up to R600 million), which Rights Offer is intended to be at a discount to the market price for EOH Shares, as per normal market practice and (ii) the Specific Issue, further details of which are set out below, in order to raise a total of R600 million.

The net proceeds of the Capital Raise will enable the Company to:

- repay approximately R563 million of its bridge facility (amount outstanding as at 31 July 2022 R832 million) and thereby right-size the capital structure. Subsequent to 31 July 2022, the sales of the Network Solutions business ("EOH-NS") and Hymax SA were concluded (as announced on SENS on Thursday, 7 April 2022), further reducing the bridge facility to R728 million. The remaining balance of the bridge facility will be repaid from the proceeds of smaller asset disposals as well as a refinancing of the balance with one or more of the lenders;
- optimise the Company's balance sheet; and
- maintain sufficient working capital for the short to medium term to allow the Company to pursue its growth strategy.

In the opinion of the management team and Board, right-sizing the capital structure will allow EOH to resume a growth strategy, improve earnings and ultimately lead to a value creation for Shareholders.

To give effect to the Capital Raise, the Company requires its Shareholders to approve:

- the increase of the authorised share capital of the Company;
- the consequential amendments to the Memorandum of Incorporation required by such increase in share capital; and
- the allotment and issue of Shares for the purpose of the Rights Offer and Specific Issue; and
- the increase in the authorised share capital requires Shareholder approval by way of a special resolution in terms of section 36(2)(a) and section 16(1)(c) of the Companies Act.

The Company proposes to increase its authorised share capital to 7 500 000 000 EOH authorised Shares. The increase in authorised share capital will allow the Company flexibility for the issue of Shares pursuant to the proposed Capital Raise, comprising the Rights Offer and the Specific Issue, as well as for any future placements of Shares as and when the Company considers it necessary to raise equity capital to fund organic or acquisitive growth, in accordance with the approval requirements of the Companies Act and the Listings Requirements.

In 2018, EOH concluded an empowerment transaction with Lebashe Investment Group that entailed an investment by Lebashe of R750 million into the Company, which was a necessary capital injection for an unsettled EOH. The transaction also entailed the issue of 40 million of a newly-created class of voting-only A Shares to Lebashe, each of which will entitle the holder to be issued with a certain number of EOH Ordinary Shares as capitalisation shares (as outlined in Annexure 5 of the 2018 Empowerment Transaction circular published on 20 August 2018) after a five year period, subject to the EOH Share price reaching a strike price of R90. As at the Last Practicable Date, Lebashe holds an economic interest of 13.06% through its Ordinary Shares and a voting interest of 29.12% through a combination of its Ordinary Shares (13.06% of issued share capital) and A Shares (18.47% of the total voting shares).

The Lebashe Group has agreed, subject to certain terms and conditions, to provide a partial underpin to the Rights Offer in the form of:

- an irrevocable undertaking to follow its rights in terms of the Rights Offer; and
- a commitment to subscribe for Ordinary Shares for an aggregate subscription price of R100 000 000 immediately after the Rights Offer through the Specific Issue.

In keeping with the spirit of the 2018 Empowerment Transaction, the Company and Lebashe propose amending the A Share terms by:

- amending the strike price of the A Shares from R90 per Share to a price per Share equal to the Share price immediately following the publication of the results of the Rights Offer increased by a 25% CAGR; and
- extending the maturity of the A Shares by a further 5 years,

as well as amending the Amended and Restated Relationship Agreement (being one of the key agreements of the 2018 Empowerment Transaction) to further enable Lebashe to add value as a strategic partner of EOH.

The effect of the A Share Amendments would be to provide Lebashe with a reasonable prospect of it being issued with EOH Shares upon maturity of the A Shares whilst also extending the life of the Company's empowerment transaction (and the resultant benefits thereof to the Company) by a further five years.

EOH's B-BBEE rating is commercially important to the generation and retention of business for the Company, including but not limited to clients operating within the public sector in South Africa.

The commitment of the Lebashe Group to follow its rights in the Rights Offer, coupled with its desire to increase its shareholding via the Specific Issue is therefore a positive for all shareholders in terms of de-risking the Capital Raise, ensuring that EOH's B-BBEE credentials are enhanced and supporting the continued growth of the business going forward. The lack of a strategic BEE equity partner would place EOH under pressure to ensure a level 1 rating in future, especially in light of the impending ICT Sector Codes. Accordingly, the EOH Board and management team recommend that shareholders vote in favour of the Specific Issue resolutions. For further detail regarding the benefits of increased B-BBEE ownership see 6.3 below.

The Company requires its Shareholders to approve:

- the amendment of the A Share preferences, rights, limitations and other terms contained in article 39 of the MOI and the consequential amendment of the transaction agreements of the 2018 Empowerment Transaction, to effect the A Share Amendments; and
- the Specific Issue to Lebashe.

The purpose of the Circular is to:

- provide EOH Shareholders with relevant information to enable them to make an informed decision as to whether or not they should vote in favour of the resolutions set out in the Notice of General Meeting which is attached to and forms part of this Circular:
 1. the approval of the proposed increase in the number of authorised shares by a further 7 000 000 000 EOH Shares such that pursuant to such increase the authorised share capital shall comprise an aggregate of 7 500 000 000 authorised EOH Shares;
 2. the consequential changes to the Memorandum of Incorporation to reflect the proposed changes in the authorised Share capital of the Company;
 3. the approval of the issue of new EOH Shares to Shareholders (or their renouces or transferees or the underwriters) pursuant to the proposed Rights Offer and/or Specific Issue in terms of section 41 of the Companies Act, which new Shares may have voting power equal to or in excess of 30% of the existing voting power of the entire issued Share capital of the Company immediately prior to such issue and/or may be issued to Directors or prescribed officers of EOH (or their related persons);
 4. approval of the changes to the 2018 Empowerment Transaction in terms of the Listings Requirements to effect the A Share Amendments and related amendments to the 2018 Empowerment Transaction agreements;
 5. the amendment of the MOI to effect the A Share Amendments;
 6. the Specific Issue;
 7. placing the authorised but unissued EOH Shares under the control of the Directors for the purposes of implementing the Rights Offer and the Specific Issue to Lebashe Investment Group; and
 8. authorising any Director or Company secretary of the Company to take all actions necessary to give effect to the abovementioned resolutions;
- convene the General Meeting.

2. BACKGROUND TO EOH

EOH is one of Africa's largest technology services providers covering the entire ICT value chain including offerings in: IT-managed services, security, automation, cloud solutions, data and development capabilities, proprietary IT product resales, IT consulting and implementation services. The Group's geographic footprint extends across Africa, UK, Europe, and the Middle East.

EOH's business comprises two key business segments offering differentiated value propositions:

- the iOCO segment is an ICT business focused on traditional and cutting-edge technology systems integration, with a range of solutions, products, and services across the ICT value chain; and
- the NEXTEC segment is a diverse set of businesses focused on people outsourcing solutions and intelligent infrastructure at various stages of incubation for growth and scaling. NEXTEC leverages off deep expertise in technology and global best practice to provide infrastructure solutions in the form of smart buildings and solutions in the power and energy space and infrastructure consulting across sub-Saharan Africa. NEXTEC also supplies People Solutions (a full spectrum, 'one-step shop' human resources placement service) for recruitment, staffing, training and development.

The Group continues to be a market leader in its core ICT business, iOCO, and is an integral technology partner to a diversified client base of 5 000 clients, including a number of leading JSE-listed, blue-chip companies, as well as key metros and government departments.

3. THE RIGHTS OFFER

As set out in paragraph 1 above, the Company needs to proceed with the Rights Offer in order to pay down debt facilities utilised by the Company.

Completion of a successful Rights Offer will address the Company's immediate capital requirements and strengthen the Company's capital structure.

Subject to market conditions, the adoption of the resolutions set out in the Notice of General Meeting and the Rights Offer conditions (which shall be set out in the Rights Offer circular to be issued by the Company in due course) being fulfilled or waived, as the case may be, the Rights Offer will be launched as soon as practicable following the conclusion of the General Meeting.

To implement the Rights Offer and Specific Issue, and to allow flexibility for any future capital raise initiatives, the Company will need to create 7 000 000 000 additional EOH Shares in its authorised share capital. This will require an amendment to the Memorandum of Incorporation. The required resolutions are set out in the Notice of General Meeting.

Further, on account of the voting power of the EOH Shares that are issuable as a result of the Capital Raise being equal to or exceeding 30% of the voting power of all the EOH Shares in issue immediately before the implementation thereof, section 41(3) of the Companies Act requires the approval of EOH Shareholders for the issue of such EOH Shares by special resolution. This is covered in special resolution number 3 set out in the Notice of General Meeting.

Such authority will include the authority to allot and issue any EOH Shares in the authorised but unissued share capital of the Company to any underwriter(s) of the Rights Offer (whether or not any such underwriter is a related party to the Company (as defined for the purposes of the Listings Requirements)) and/or a person falling within the ambit of section 41(1) of the Companies Act, being a Director, future Director, prescribed officer or future prescribed officer of the Company or a person related or inter-related to the Company or related or inter-related to a Director or prescribed officer of the Company (or a nominee of any of the foregoing persons).

Should the Board resolve to proceed with the Rights Offer, a circular to Shareholders setting out the full terms of the Rights Offer will be issued in due course, following the General Meeting.

EOH intends to appoint one or more underwriters in due course.

Lebashe and the Company have agreed on a commitment fee of 1.5% of the amount committed by Lebashe to follow its rights under the Rights Offer. The Board has considered a number of precedent rights offers on the JSE since 2010 which were underwritten by strategic shareholders/investors and is of the opinion that, taking into account all relevant circumstances, the 1.5% commitment fee to Lebashe is market related. The commitment fee will not have any implications from a Listings Requirements perspective as it falls below the categorisation threshold for related party transactions.

4. THE SPECIFIC ISSUE

4.1 The Specific Issue

Lebashe Investment Group is an established, 100% black-owned investment holding company with a variety of interests including in the South African financial and technology sectors. These include EOH, RainFin, Cape Town Stock Exchange, Seshego Consulting, Arena Holdings as well as various other entities.

As at the Last Practicable Date, the shareholders of Lebashe are as follows:

Shareholder	Ordinary shares in Lebashe	Percentage (%)
Pazomani Proprietary Limited	1,044	29.46
Little River Trading 305 Proprietary Limited	800	22.59
Tamibex Proprietary Limited	780	22.02
WGW Capital Proprietary Limited	358	10.11
Raphmab Proprietary Limited	280	7.91
JFF Venture Proprietary Limited	240	6.78
Mrs Fawzia Lucia Sidwell	40	1.13
Total	3,542	100.00

Note:

Mr Jabu Moleketi (a director of EOH) is a non-executive non-independent director and shareholder of EOH's black empowerment partner, Lebashe Investment Group through Raphmab Proprietary Limited. He has accordingly recused himself from the discussions relating to the A Share Amendments and the Specific Issue.

As a result of the 2018 Empowerment Transaction, where Lebashe invested R750 million into an unsettled EOH through a specific issue of Shares for cash, Lebashe has been an important strategic partner to the Group. Lebashe's support continues against the backdrop of the proposed Rights Offer, such that Lebashe is providing a partial underpin to the Capital Raise.

No fee shall be payable in respect of the R100 million Specific Issue.

The Specific Issue assists the Company in de-risking the Capital Raise by increasing the certainty as to the total proceeds that will be raised.

The Specific Issue will also result in increased B-BBEE ownership of EOH, which will be of significant commercial benefit to the Company and its shareholders owing to the importance that current and prospective clients of EOH attach to the empowerment credentials of their service providers. For further detail regarding the benefits of increased B-BBEE ownership see 6.4 below.

Accordingly, the Board wishes to undertake the Specific Issue, on the basis that the relevant Shares to be issued: (i) are issued from a class of securities already in issue, (ii) are issued for cash without any other impact on the financial statements, and (iii) are not convertible.

Furthermore, the Board confirms the following:

- the Shares under the Specific Issue will be issued to Lebashe E A Shares (RF) Proprietary Limited, a member of the Lebashe Group, with Lebashe Investment Group being a material, non-public Shareholder as defined in the Listings Requirements and therefore deemed a related party in relation to the Specific Issue. As at the Last Practicable Date Lebashe holds 23 062 458 EOH Shares being 13.06% of the issued share capital of EOH;
- Lebashe and its associates are excluded from voting on the relevant Specific Issue resolutions;
- there are no conversion rights to the Shares to be issued for cash; and
- the Shares will be issued at the Rights Offer Price per share, which will be at a market related discount to TERP, to be determined at the finalisation date of the Rights Offer.

4.2 Pricing of the Rights Offer and Specific Issue

As stated above, it is intended that Shares under the Specific Issue will be issued to Lebashe Investment Group at the same price as the price at which they will be offered to shareholders (on a *pro rata* basis) under the Rights Offer.

In line with market practice, the price per Share under the Rights Offer will be at a discount to the TERP of the Shares which is the market price at which the Shares should theoretically trade upon closing of the Rights Offer.

By way of illustration, the average discount for capitalisation rights offers (i.e. rights offers to repay debt) of over R1 billion on the JSE in the past 10 years has been an average discount of 23.5%. This information is provided for illustrative purposes only and is not an indication of the price at which the Rights Offer Shares will be offered.

As at the Last Practicable Date, the Company has not determined the discount to TERP (and consequently the issue price per Share) at which the Rights Offer will be made. From a commercial perspective, this can only be determined closer to the time when the Rights Offer is made. In determining the price at which the Rights Offer will be made, the Company will engage with the underwriter(s) to the Rights Offer, Shareholders and potential investors to assess demand at a range of possible prices, having regard, *inter alia*, to the price at which the Shares are trading. The Board will then make a final decision as to the price at which the Rights Offer will be made, taking into account the feedback from the underwriter(s), prevailing economic conditions and market dynamics, the trading in the Shares and any other relevant information.

Similar to the pricing of the Rights Offer and Specific Issue, as at the Last Practicable Date, the Company has not determined the total number of Shares to be offered under the Rights Offer and Specific Issue. The total number of Shares will be determined immediately prior to the posting of the Rights Offer circular, based, *inter alia*, on the price per share at which the Rights Offer will be made and the targeted gross proceeds of the Rights Offer and Specific Issue.

5. USE OF PROCEEDS

The Company intends to apply the net proceeds from the Capital Raise to:

- repay approximately R563 million of its bridge facility (amount outstanding as at 31 July 2022 R832 million) and thereby right-size the capital structure. Subsequent to 31 July 2022, the sales of EOH-NS and Hymax SA, of which full details were announced on SENS on Thursday, 7 April 2022, were concluded, further reducing the bridge facility to R728 million. The remaining balance of the bridge facility will be repaid from the proceeds of smaller asset disposals as well as a refinancing of the balance with one or more of the lenders;
- optimise the Company's balance sheet; and
- maintain sufficient working capital for the short to medium term to allow the Company to pursue its growth strategy.

6. A SHARE AMENDMENTS AND AMENDMENTS TO THE 2018 EMPOWERMENT TRANSACTION AGREEMENTS

6.1 Background

In 2018, EOH Shareholders approved the implementation of the 2018 Empowerment Transaction. The 2018 Empowerment Transaction involved:

- (i) a specific issue of Ordinary Shares to the Lebashe Investment Group which resulted in a capital injection of R750 million and was instrumental to the Group remaining a going concern; and
- (ii) the issue to a Lebashe subsidiary of a new class of voting-only A Shares, the details of which are set out in the EOH circular to Shareholders dated 20 August 2018 ("**2018 Circular**").

Given Lebashe's strong empowerment credentials, the 2018 Empowerment Transaction not only provided much-needed capital to the Company, but also served to enhance EOH's B-BBEE standing. For further details of the 2018 Empowerment Transaction, Shareholders are referred to the 2018 Empowerment Transaction circular, a copy of which is available on the Company's website at <https://www.eoh.co.za/wp-content/uploads/2022/03/EOH-Empowerment-Transaction-circular.pdf>.

The terms of the A Shares provide (amongst other things) that the A Shares entitle the holder to the issue of a number of EOH Ordinary Shares (determined in accordance with the formula outlined in Annexure 5 of the 2018 Circular) as capitalisation shares after a 5 year period, subject to the EOH share price reaching a strike price of R90. Shareholders are furthermore referred to the *pro forma* financial information of the EOH Group as set out in Annexure 2 which sets out the assumptions and full notes relating to Transactions and in particular for the Specific Issue and the A Share Amendment.

As at the Last Practicable Date, the Lebashe Group holds an economic interest of 13.06% through its Ordinary Shares and a voting interest of 29.12% through a combination of its Ordinary Shares (23 million/13.06% of the total issued Share capital) and A Shares (40 million/18.47% of the total voting Shares).

As at the effective date of the 2018 Empowerment Transaction the closing EOH Share price was R36.40. Since then, the EOH Share price has suffered significant deterioration and as at the Last Practicable Date was R4.20. Given the significant deterioration of the Company's share price, it is unlikely that the strike price of R90 that was envisaged in the 2018 Empowerment Transaction will be achieved.

Notwithstanding the significant decline in the EOH Share price since the implementation of the 2018 Empowerment Transaction and the resultant effect thereof on Lebashe (i.e. a significant reduction in the value of the R750 million worth of EOH Ordinary Shares subscribed for by Lebashe coupled with the low probability of Lebashe realising value upon the maturity of the 2018 Empowerment Transaction with the R90 per share), Lebashe remains a key supportive strategic shareholder of EOH. In this regard, the Lebashe Group has agreed, subject to certain terms and conditions, to provide a partial underpin to the Capital Raise by:

- providing an irrevocable undertaking to follow its rights in the Rights Offer; and
- agreeing to provide additional capital to the Company by subscribing for new EOH Ordinary Shares, at the Rights Offer price, for an aggregate amount of R100 million pursuant to the Specific Issue.

6.2 Salient terms of 2018 Empowerment Transaction Agreements

The agreements regulating the 2018 Empowerment Transaction, as amended to date, are as follows:

Agreement	Date	Description
Amended and Restated BEE SPV 2 Guarantee	20 August 2021	the agreement entered into between EOH and Lebashe E A Shares (RF) Proprietary Limited (" BEE SPV 2 "), in terms of which BEE SPV 2 guarantees the compliance by Lebashe E Ords (RF) Proprietary Limited (" BEE SPV 1 "), Lebashe Investment Group and Lebashe Financial Services Proprietary Limited (" Lebashe Financial Services ") with their respective obligations in terms of the 2018 Empowerment Transaction documents (other than the Subscription Undertaking Agreement);
Amended and Restated BEE SPV 2 Pledge and Cession Agreement	20 August 2021	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> its EOH A Shares in favour of EOH as security for its obligations in terms of the 2018 Empowerment Transaction documents (other than the Subscription Undertaking Agreement);
Amended and Restated Relationship Agreement	20 August 2021	the agreement entered into between EOH, Lebashe Investment Group, Lebashe Financial Services, Lebashe Networks, BEE SPV 1 and BEE SPV 2 in terms of which, <i>inter alia</i> , the relationship between them in respect of the BEE Transaction is 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 subscribed for EOH Ordinary Shares and 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 undertook to subscribe for the additional EOH Ordinary Shares;
Lebashe Networks Pledge and Cession Agreement	20 August 2021	the agreement entered into between Lebashe Networks, BEE SPV 1, BEE SPV 2 and EOH, in terms of which Lebashe Networks 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).

6.3 Amendment of the A Share Terms and the 2018 Empowerment Transaction Agreements

In keeping with the spirit of the 2018 Empowerment Transaction and taking into account the significant decline of the EOH Share price since implementation of the 2018 Empowerment Transaction, EOH and Lebashe propose implementing the A Share Amendments, being an amendment to the preferences, rights, limitations and other terms of the A Shares, and consequential changes to certain of the 2018 Empowerment Transaction agreements, to extend the maturity of the A Shares by a further 5 years and an amendment of the R90 strike price to a price per Share equal to the Share price immediately after implementation of the Rights Offer, increased by a 25% CAGR through to maturity.

It is also proposed to amend the Amended and Restated Relationship agreement to include terms in line with the strategic equity partnership between EOH and Lebashe. The updated Amended and Restated Relationship agreement will continue to include terms which allow Lebashe to nominate up to two persons for appointment to the board of directors, and will be amended to:

- include a right to nominate one member for appointment, subject to shareholder and board approval as appropriate, to EOH's board and statutory committees; and
- allow sharing of information with Lebashe where the EOH board deems fit for strategic purposes.

Whilst Lebashe's commitment to follow its rights in the Rights Offer is not conditional on Shareholders approving the A Share Amendments, Lebashe's commitment to inject further capital into the Company by way of the Specific Issue is conditional on Shareholders approving the A Share Amendments. Accordingly, if the resolutions required for the implementation of the A Share Amendments are not approved by the requisite majority of Shareholders, the Specific Issue will not be implemented and the Company will seek to raise the targeted proceeds of R600 million from the Rights Offer.

6.4 Rationale for the Specific Issue and proposed A Share Amendments

EOH is intentional about transformation, viewing B-BBEE as an opportunity to make a real difference in the lives of its beneficiaries, colleagues, and the South African economy. The Group's commitment to building an inclusive society is ingrained in its transformation performance.

The Specific Issue and proposed A Share Amendments present an excellent opportunity for the Company to live up to its transformation ideals. Not only do they further transformation with a strategic B-BBEE partner such as Lebashe, but they also provide value to the Company's other shareholders. Aside from de-risking the Capital Raise, the Specific Issue will also result in the increased B-BBEE ownership of EOH. The Proposed A Share Amendments are designed to:

- extend the period of the 2018 Empowerment Transaction from five years to ten years, thereby ensuring that the Company retains the benefit of its empowerment deal until at least October 2028; and
- to provide Lebashe with a reasonable prospect of realising value upon the maturity of the Empowerment Transaction by reducing the strike price of the A shares from R90 to a price that is reasonably attainable in light of the price at which EOH Shares are likely to trade immediately after the Rights Offer.

EOH is currently a Level 1 B-BBEE contributor in terms of the Group's latest consolidated B-BBEE certificate, which is measured in accordance with the Amended ICT Sector Code. This is the highest level that an entity can achieve in terms of the B-BBEE Act and the applicable codes and is testament to EOH's integrated holistic approach to transformation. The proposed extension of the term of the 2018 Empowerment Transaction by an additional 5 years enhances the ability of the Company to retain its Level 1 B-BBEE contributor status under the Amended ICT Sector Code at least up to October 2028. Amongst other things, this will enhance the Group's ability to compete for work in the highly competitive environment within which it operates, particularly in respect of public sector contracts.

In addition, given the inter-conditionality of the A Share Amendments with the Specific Issue, implementation of the A Share Amendments ensures that the Company can access much needed capital from Lebashe by way of the Specific Issue which will be used to achieve the Company's deleveraging and liquidity objectives and to position it for growth, whilst also increasing Lebashe's overall economic and voting interest in EOH.

7. PRO FORMA FINANCIAL EFFECTS OF THE TRANSACTIONS

The *pro forma* financial information, including the *pro forma* financial effects of the Rights Offer, the Specific Issue and the A Share Amendments (collectively "the Transactions") on the financial information of EOH as at and for the year ended 31 July 2022, is set out in **Annexure 2** of this Circular in accordance with the provisions of the JSE Listings Requirements and the Guide on *Pro Forma* Financial Information issued by the South Africa Institute of Chartered Accountants. The *pro forma* financial information, including the assumptions on which it is based and the financial information from which it has been prepared, is the responsibility of the Directors.

The accounting policies used in the preparation of the *pro forma* financial effects are compliant with IFRS and are consistent with those applied in the published audited consolidated annual financial statements of EOH for the year ended 31 July 2022.

The *pro forma* financial information has been prepared for illustrative purposes only, to provide information on how the Transactions may have affected the financial position of EOH. Due to its nature, the *pro forma* financial information may not fairly present EOH's financial position, changes in equity, comprehensive income, or cash flows after the implementation of the Transactions.

The tables below are a summary of the detailed *pro forma* financial information, and should be read in conjunction with the *pro forma* consolidated statement of financial position and *pro forma* consolidated statement of profit or loss and other comprehensive income and related notes and assumptions as set out in **Annexure 2**.

The tables below set out the *pro forma* financial effects of the Transactions, based on the published audited results for the year ended 31 July 2022. Given the uncertainty relating to the Rights Offer Price and consequently the Specific Issue price ("Subscription Price"), which will be at a market related discount to the TERP and will only be determinable at the finalisation date of the Rights Offer, illustrative scenarios of the assumed discount within the Rights Offers Price and the Subscription Price, are presented below. The illustrative scenarios are as follows:

- Scenario 1: The Rights Offer Price and the Subscription Price being the TERP on the Last Practicable Date after a 20% discount.
- Scenario 2: The Rights Offer Price and the Subscription Price being the TERP on the Last Practicable Date after a 30% discount.
- Scenario 3: The Rights Offer Price and the Subscription Price being the TERP on the Last Practicable Date after a 40% discount.

Scenario 1	Before	Pro forma after Rights Offer*	Pro forma after the Specific Issue**	Pro forma after the amendments to the terms of A Shares***	Pro forma after the Transactions	% change
Cents per share	Note 1				Note 2	Note 3
Basic loss per share from continuing and discontinued operations	(15)	6	1	(1)	(6)	60%
Diluted loss per share from continuing and discontinued operations	(15)	6	1	(1)	(6)	60%
Headline loss per share from continuing and discontinued operations	(18)	5	0	(3)	(7)	61%
Diluted headline loss per share from continuing and discontinued operations	(18)	5	0	(3)	(7)	61%
Basic loss per share from continuing operations	(99)	(35)	(36)	(42)	(43)	57%
Diluted loss per share from continuing operations	(99)	(35)	(36)	(42)	(43)	57%
Headline loss per share from continuing operations	(72)	(22)	(24)	(29)	(31)	57%
Diluted headline loss per share from continuing operations	(72)	(22)	(24)	(29)	(31)	57%
Net asset value per share	20	153	165	152	155	675%
Net tangible asset value per share	(492)	(95)	(60)	(95)	(69)	86%
Weighted average number of shares in issue ('000)	168 755	347 737	383 534	349 917	385 714	
Number of shares in issue ('000)	168 755	347 737	383 534	349 917	385 714	

Scenario 2	Before	Pro forma after Rights Offer*	Pro forma after the Specific Issue**	Pro forma after the amendments to the terms of A Shares***	Pro forma after the Transactions	% change
Cents per share	Note 1				Note 2	Note 3
Basic loss per share from continuing and discontinued operations	(15)	5	(3)	(1)	(9)	40%
Diluted loss per share from continuing and discontinued operations	(15)	5	(3)	(1)	(9)	40%
Headline loss per share from continuing and discontinued operations	(18)	4	(4)	(2)	(10)	44%
Diluted headline loss per share from continuing and discontinued operations	(18)	4	(4)	(2)	(10)	44%
Basic loss per share from continuing operations	(99)	(30)	(34)	(36)	(40)	60%
Diluted loss per share from continuing operations	(99)	(30)	(34)	(36)	(40)	60%
Headline loss per share from continuing operations	(72)	(19)	(24)	(25)	(30)	58%
Diluted headline loss per share from continuing operations	(72)	(19)	(24)	(25)	(30)	58%
Net asset value per share	20	131	139	130	130	550%
Net tangible asset value per share	(492)	(81)	(51)	(81)	(58)	88%
Weighted average number of shares in issue ('000)	168 755	407 948	455 787	410 129	457 967	
Number of shares in issue ('000)	168 755	407 948	455 787	410 129	457 967	

Scenario 3	Before	Pro forma	Pro forma	Pro forma	Pro forma	% change
		after	after the	after the		
		Rights	Specific	amendments	after the	
		Offer*	Issue**	to the	Transactions	
				terms of		
				A Shares***		
Cents per share	Note 1				Note 2	Note 3
Basic loss per share from continuing and discontinued operations	(15)	4	(6)	(1)	(11)	27%
Diluted loss per share from continuing and discontinued operations	(15)	4	(6)	(1)	(11)	27%
Headline loss per share from continuing and discontinued operations	(18)	3	(7)	(2)	(11)	39%
Diluted headline loss per share from continuing and discontinued operations	(18)	3	(7)	(2)	(11)	39%
Basic earnings per share from continuing operations	(99)	(23)	(30)	(28)	(34)	66%
Diluted loss per share from continuing operations	(99)	(23)	(30)	(28)	(34)	66%
Headline loss per share from continuing operations	(72)	(14)	(22)	(19)	(27)	63%
Diluted headline loss per share from continuing operations	(72)	(14)	(22)	(19)	(27)	63%
Net asset value per share	20	101	105	100	99	395%
Net tangible asset value per share	(492)	(63)	(38)	(62)	(44)	91%
Weighted average number of shares in issue ('000)	168 755	529 208	601 298	531 388	603 479	
Number of shares in issue ('000)	168 755	529 208	601 298	531 388	603 479	

* Represents the pro forma effects after the Right's Offer, excluding transaction costs.

** Represents the pro forma effects after the Right's Offer and the Specific Issue, excluding transaction costs.

*** Represents the pro forma effects after the Right's Offer and the Amendments to A Share terms, excluding transaction costs.

Notes and assumptions:

1. The "Before" column is based on the EOH annual financial statements for the financial year ended 31 July 2022.
2. The "Pro forma after the Transactions" column reflects the impact of the Rights Offer, the Specific Issue and the A Share Amendments (collectively the "Transactions"), including transaction costs, on EOH.
3. Represents the % movement as a result of the Transactions, being the % movement from Note 1 to Note 2.
4. The effects on earnings, diluted earnings, headline earnings and diluted headline earnings per share are calculated on the basis that the Transactions were effective on 1 August 2021, while the effects on the net asset value and net tangible asset value per share was calculated on the basis that the Transactions were effective on 31 July 2022 for purposes of presenting the pro forma financial effects thereof on EOH.

The detailed notes and assumptions to the financial effects are presented with the *pro forma* consolidated statement of profit or loss and other comprehensive income and the *pro forma* consolidated statement of financial position illustrating the assumption of the Rights Offer Price and the Subscription Price being at a 30% discount to the TERP are contained in **Annexure 2** to this Circular. Scenarios 1 and 3 are available for inspection in terms of paragraph 20 of this Circular. The Independent Reporting Accountant's reasonable assurance report on the *pro forma* financial information is included in **Annexure 3** to this Circular.

8. THE INDEPENDENT EXPERT OPINION

As indicated above, the Specific Issue will be to a related party and will be at a discount to the 30-day volume weighted average price, and consequently a fairness opinion is required in terms of section 5.51(f) of the Listings Requirements.

In addition, the proposed A Share Amendments constitute an amendment to a specific issue in terms of the Listings Requirements that was previously approved by Shareholders, as well as being a related party transaction between EOH and Lebashe. In accordance with section 5.51 of the Listings Requirements the board of EOH is required to obtain an opinion as to the fairness of the proposed A Share Amendments.

EOH has appointed Nodus Capital TS Proprietary Limited to act as independent expert and to provide confirmation whether the terms of the Specific Issue and the A Share Amendments are fair to Shareholders.

The Independent Expert has found the terms of the Specific Issue and the proposed A Share Amendments to be fair to the Shareholders of EOH.

The Board, having taken into account the Independent Expert Opinion, has considered the terms and conditions of the Specific Issue and the A Share Amendments and is of the opinion that the Specific Issue and the proposed A Share Amendments are fair insofar as EOH Shareholders are concerned.

The Board unanimously recommends that Shareholders vote in favour of the resolutions set out in the Notice of General Meeting, necessary to give effect to the implementation of the Specific Issue and the proposed A Share Amendments.

9. SHARE CAPITAL

9.1 The table below shows, at the Last Practicable Date, the authorised and issued ordinary Share capital of EOH are as follows:

	Stated capital
<i>Authorised</i>	
500 000 000 ordinary shares of no par value	–
40 000 000 EOH A shares of no par value	–
<i>Issued</i>	
176 545 000 ordinary shares of no par value	4 217 285
Excluding 7 787 169 ordinary shares, which are treasury shares	–
40 000 000 EOH A shares of no par value	–

9.2 For illustrative purposes, the authorised and issued share capital of EOH following the increase of the Company's authorised share capital, the issue of 239 million Rights Offer Shares and the issue of 47.8 million Specific Issue shares are set out below:

	Stated capital
<i>Authorised</i>	
7 500 000 000 ordinary shares of no par value	–
40 000 000 EOH A shares of no par value	–
<i>Issued</i>	
463 345 000 ordinary shares of no par value	4 782 033
Excluding 7 787 169 ordinary shares, which are treasury shares	–
40 000 000 EOH A shares of no par value	–

10. MAJOR SHAREHOLDERS

As at the Last Practicable Date, Shareholders (other than Directors) interested in 5% or more of EOH Shares, directly or indirectly, are as follows:

	Number of EOH Shares	% of issued Share capital of EOH
Lebashe Investment Group*	23 062 458	13.06
Metal Industries Benefit Funds Administrators	11 364 638	6.44
Mianzo Asset Management	11 118 482	6.30
Foord Asset Management	10 806 666	6.12
	56 352 244	31.92

*To note that, in respect of the Rights Offer, Lebashe will follow its rights in full and therefore its shareholding should remain the same and will be unaffected post-Rights Offer. Lebashe's shareholding is nevertheless not expected to increase or exceed 35% as a result of the Specific Issue.

11. DIRECTORS' INFORMATION

11.1 Information on Directors and senior management

The directors of EOH (including directors of major subsidiaries) are set out below:

Name	Title
Andrew Mthembu	Chairman
Nosipho Molohe	Independent non-executive director
Bharti Harie	Independent non-executive director
Andrew Marshall	Independent non-executive director
Mike Bosman	Independent non-executive director
Jesmane Boggenpoel	Independent non-executive director
Sipho Ngidi	Independent non-executive director
Jabu Moleketi	Non-executive director
Stephen van Coller	Group chief executive officer
Megan Pydigadu	Group chief financial officer
Fatima Newman	Group chief risk officer

Despite the challenges facing EOH since 2018, EOH has attracted high quality individuals to its management team who have been instrumental in implementing the turnaround strategy to date. The executive management team, together with the Board, is committed to delivering long-term, sustainable value to EOH, its employees, stakeholders, shareholders and partners, always guided by a common purpose, philosophy and value system.

The EOH executive management team comprises:

Stephen van Coller (Group chief executive officer);
Megan Pydigadu (Group chief financial officer);
Fatima Newman (Group chief risk officer);
Natasha Andrykowsky (Group executive – strategy & change);
Ziaad Suleman (Chief commercial officer, iOCO);
Brian Harding (Group executive, iOCO Digital); and
Marius de la Rey (Group executive, iOCO Services).

The business address of EOH is 1st Floor, Block E, Pinmill Farm, 164 Katherine Street, Sandton, Gauteng, 2148.

There have been no changes to the Board as a result of the Transactions.

The Directors' remuneration will not be varied as a consequence of the Capital Raise or any related transaction.

None of the Directors have any material beneficial interests, whether direct or indirect, in transactions that were effected by EOH:

- (a) during the current or immediately preceding financial year; or
- (b) during an earlier financial year and remain in any respect outstanding or unperformed.

11.2 Directors' interest in EOH Shares

The direct and indirect beneficial interests of the Directors and their associates' holdings in the Share capital of EOH as at the 30 August 2022 and any changes thereto, are set out below. For illustrative purposes, following the Rights Offer and the Specific Issue, the interests as set out below will be less than 0.00%. This does not include any Shares that will be taken up by the Directors as part of the Rights Offer.

Director	Number of Shares held directly	Number of Shares held indirectly	Total	Percentage of issued Share capital (%)
Stephen van Coller	264 000	–	264 000	0.15
Megan Pydigadu	17 705	–	17 705	0.01
Total	281 705	–	281 705	0.16

12. OPINION AND RECOMMENDATION

The Board has evaluated the rationale for the proposed resolutions set out in the Notice of General Meeting attached to this Circular which, if passed by the requisite majority of exercisable voting rights, will allow the Company to proceed with the Capital Raise and the A Share Amendments.

Accordingly, after due consideration, the Board unanimously recommends that EOH Shareholders vote in favour of all the resolutions as set out in the Notice of General Meeting.

All Directors with an interest in EOH intend to vote in favour of the resolutions necessary to approve and implement the Capital Raise and the A Share Amendments.

13 PROSPECTS

EOH's objective is to deliver a sustainable capital structure with simplified banking facilities to foster investor, creditor and market confidence and to sustain the future development needs of the business. Such a sustainable capital structure is intended to lower interest rates on EOH's debt. As at 31 October 2022, the blended rate of the EOH's senior term loan and bridge facility was 13,28%, providing for more efficient management of cash, provide greater flexibility to operate and allow for investment in the growth of the Company.

EOH is targeting an indicative leverage ratio 1.25x to 1.5x over the medium term, following an anticipated reduction in the Group's borrowings as a result of the cash proceeds received from the Rights Offer.

14. LITIGATION STATEMENT

Litigation Matters

Department of Water and Sanitation SAP Roll-Out to Catchment Management Agencies ("CMA") and 2016 license sale ("License Sale")

The contract to which this matter relates forms part of the scope of investigation conducted by the SIU, with no outcome to date. The SIU has put forward a finding that certain elements or deliverables in relation to the CMAs and License Sale were either not delivered or were not for value, however, to date, no formal action has been instituted. The most recent feedback from the SIU is that it intends to refer the matter to the special tribunal established in terms of section 2 of the Special Investigating Units and Special Tribunals Act No. 74 of 1996 in a bid to recover approximately R230 million from EOH. EOH is currently engaging with its legal advisors in order to assess how to respond to the SIU. The License Sale terminated in September 2016 with no claims being instituted to date. In the event of a challenge to the validity of the License Sale, EOH is advised it would be entitled to just and equitable costs, however, it may be more efficient to consider a settlement with the SIU.

Department of Home Affairs ("DHA") ABIS Biometric

The dispute between the DHA and EOH Mthombo Proprietary Limited pertains to contended for claims arising in delays occasioned in the execution of the terms of the Master Services Agreement ("**MSA**") concluded between EOH and DHA for the migration of the population database from the HANIS system, to the new ABIS system. The delays, according to EOH, were due to DHA's failure to deliver on certain dependencies, and in particular the data which formed the subject matter of the MSA. EOH sought compensation for the costs incurred in consequence of such delays. By contrast, DHA contends that it was not obliged to compensate for such claims, and that the fault for the delays was broadly attributable to EOH and in turn claims penalties in the terms of the MSA from EOH which roughly equate to the claims of EOH.

Based on legal advice, the Group does not consider an outflow to be probable.

SARS – pay as you earn ("PAYE") dispute and other matters in relation to EOH Abantu Proprietary Limited ("EOH Abantu")

On 14 February 2020, SARS issued additional PAYE and Skills Development Levy ("**SDL**") assessments against EOH Abantu, for the tax periods March 2011 to February 2016, which consisted of PAYE and SDL assessments, including admin and understatement penalties. At 31 July 2022, the Group had provided for R179 million on the PAYE liability assessed and potential future assessments and is in ongoing discussions with SARS, regarding the potential settlement of this matter, in line with the requirements of the Tax Administration Act, No. 28 of 2011. To date, the settlement discussions with SARS have not been successful. The EOH Group has made six different settlement offers to date, that have all been declined by SARS and the Group has subsequently filed an application in the High Court to have the SARS decisions set aside, on the basis of irrationality. The Group remains confident that it has a strong legal case to contest the remaining exposure, based on internal and external legal and technical advice obtained. A total of R98 million for the period 2020 to 2022 of the initial provision of R277 million was repaid up to 31 July 2022.

Mehleketo Resourcing Proprietary Limited ("Mehleketo") in liquidation – claims against certain EOH companies

In November 2019, Mehleketo, a wholly owned subsidiary of EOH, was placed into provisional liquidation, whose winding up order was subsequently confirmed in May 2020. The liquidation proceedings were instituted by Impact Human Resources Proprietary Limited ("**Impact HR**") which is another wholly owned subsidiary of EOH. Mehleketo was put into liquidation due to various concerns including, *inter alia*, its ability to settle its debts as they became due, amounts due to creditors, its inability to deliver on existing contracts, and the fact that it needed substantial funding from the EOH Group in order to meet its obligations (operationally and contractually) with generating any significant profit or return on investment.

In June 2022, Cloete Murry and Ralph Lutchman as joint liquidators of Mehleketo (under Sechaba Trust Proprietary Limited) (collectively, “**Liquidators**”), instituted litigious action against certain companies within the EOH Group, for an aggregate amount of R136 million, pursuant to sections 26, 31 and 32 of the South African Insolvency Act, 24 of 1936. The transactions that form the subject matter of the summons were undertaken by EOH pursuant to external expert legal advice. EOH disagrees with the assertions made by the liquidators and has defended the court action instituted by the liquidators. EOH has lodged a legitimate creditors counterclaim of R136 million.

Cornastone Enterprise Systems Proprietary Limited (“Cornastone”)/Cell C Limited (“Cell C”) – Alleged Tender Fraud

Cornastone is a wholly owned subsidiary of EOH which was acquired in 2016. In February 2020, EOH was made aware of irregular activities relating to Cornastone’s supply of goods and services to Cell C. The leadership of EOH immediately conducted an internal investigation and uncovered collusive activities between certain senior executives at both Cornastone and Cell C (“**Perpetrators**”) dating as far back as 2012. EOH contacted Cell C and shared its findings with it and subsequently lodged criminal cases against the Perpetrators. Warrants of arrest were issued against the Perpetrators.

In May 2022, Cornastone received a section 345 (in terms of the Companies Act) letter from attorneys purporting to represent Cell C. Cell C was claiming an amount of approximately R62 million from Cornastone alleging that it was defrauded of these amounts pursuant to the collusive conduct of the Perpetrators, one of which was a Cell C executive. EOH appointed external legal experts to respond to Cell C’s attorneys advising them that Cornastone disputes Cell C’s alleged claim.

Alteram Municipal Services Proprietary Limited (“Alteram”)/EOH Mthombo Proprietary Limited

In 2017, EOH and Alteram Municipal Services Proprietary Limited concluded an agreement in terms of which EOH subcontracted certain services to Alteram in relation to EOH’s Department of Water and Sanitation contract. It was subsequently established that the ultimate beneficial owner of Alteram was the same individual who helped facilitate the historic fraud and corruption within EOH. EOH, upon seeking external expert legal advice on the matter, terminated the aforementioned contract with effect from February 2020. Alteram has since issued a summons against EOH for approximately R35 million claiming unlawful termination. EOH defended Alteram’s action, and that matter is set down for hearing within the next financial year. It has been assessed in light of the Alteram’s claim that a contingent liability exists. Based on legal advice, the Group does not consider an outflow to be probable.

Other Litigation Matters

Msunduzi Municipality (“Msunduzi”)/EOH Mthombo Proprietary Limited

In November 2021, EOH received a notification from Msunduzi in respect of EOH’s alleged repudiation of the service level agreement concluded between both parties on or about April 2016. Msunduzi claims that EOH failed to deliver the contractual deliverables and that it wilfully misrepresented its qualification and ability to deliver on the contractual deliverables. Msunduzi also claims that it incurred damages in having to appoint additional service providers to complete the deliverables and that it had no handover from EOH. EOH contends that delays in the contract were attributable to both parties. In 2019, Msunduzi was placed under administration and did not pay any further invoices to EOH. EOH’s suspension of services were as a result of the municipality not paying EOH. EOH is in the process of assessing the claims of Msunduzi and EOH’s counterclaims.

Mehleketo Resourcing Proprietary Limited (“Mehleketo”)/HAWKS Investigation

Subsequent to the liquidation of Mehleketo the Hawks received allegations that, between 13 and 15 November 2019, EOH allegedly concluded various suspicious transactions with Mehleketo for approximately R130 million. The Hawks are attempting to establish the legitimacy of the referenced transactions and have requested further information from EOH in order to further its investigation. EOH has appointed ENS Forensics and Fasken Inc to assist in resolving the matter. EOH is of the opinion that there was no fraudulent or inappropriate contract in the transactions referenced.

Shema Power Lake Kivu (“SPLK”)/Digital Industries Proprietary Limited

EOH concluded an agreement with SPLK for certain services, goods and equipment to be delivered to SPLK’s site in Rwanda. SPLK’s allegation is that EOH was deficient and failed to provide proper advice and to properly install the equipment ordered, resulting in the equipment being improperly installed and rendered unfit for purpose. SPLK instituted this action in the High Court. The claim equates to approximately R53 million. EOH has instituted a counter-claim against SPLK.

iOCO Infrastructure Services Proprietary Limited (“IIS”) (previously known as EMID Proprietary Limited and Scan RF Proprietary Limited (“ScanRF”)/ICASA Licences

IIS and ScanRF were acquired by EOH in 2015 and 2017, respectively. EOH is engaging with the Independent Communications Authority of South Africa to ensure that the appropriate change of ownership of certain spectrum licences has been appropriately updated on their records.

15. DIRECTORS’ RESPONSIBILITY STATEMENT

The Directors, whose names and details are provided on page 19 of this Circular having made diligent enquiries into the information provided in 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 which would make any statement false or misleading, and that all reasonable enquiries to ascertain such facts have been made and that this Circular contains all information required by law and the Listings Requirements.

16. NOTICE OF GENERAL MEETING

The General Meeting of EOH Shareholders will be held at 10:30 on Tuesday, 13 December 2022 in order for the EOH Shareholders (together with the holder of the A Shares) to consider, and if deemed fit, to pass, with or without modification, the resolutions required to enable the Capital Raise and the A Share Amendments.

A notice convening such General Meeting is attached to, and forms part of this Circular. EOH Shareholders are referred to the Notice of General Meeting for details on the resolutions to be proposed at the General Meeting and to page 3 of this Circular stipulating the action required by EOH Shareholders and for information on the procedure to be followed by EOH Shareholders in order to exercise their votes at the General Meeting.

17. EXPERTS’ CONSENTS

Each of the Company’s advisers, whose names appear on the cover page of this Circular, have consented in writing to act in the capacities stated and to their names appearing in the Circular, and have not withdrawn their consent prior to the publication of the Circular.

18. DISCLOSURE OF CONFLICT

Shareholders are advised that Standard Bank acts as Transaction Sponsor in relation to this Circular.

Standard Bank will furthermore act as Joint Financial Advisor and Transaction Sponsor in relation to the Capital Raise.

In its capacity as transaction sponsor, Standard Bank has confirmed to the JSE and EOH that there is no matter that would impact on its ability to exercise reasonable care and judgement to achieve and maintain independence and objectivity in professional dealings in relation to EOH, and that would impact on its ability to act within the Code of Conduct as set out in the Listings Requirements.

Standard Bank has various stringent internal procedures in place to ensure that its ability to act independently as JSE sponsor, is not compromised. It furthermore identifies and manages any conflicts of interest in relation to its role as sponsor and its and its approved executives which could be expected to impair their independence and objectivity in relation to an applicant issuer for a transaction or corporate action.

Pursuant to these internal procedures, Standard Bank has a Compliance Control Room function that identifies and manages conflicts risks and ensures that strict “Chinese Walls” are maintained to ensure that as JSE sponsor, it is able to act independently from other divisions within the bank. Standard Bank also enforces and implements physical and logical access restrictions to information, which is limited to deal teams for whom the information is relevant, for the purpose of fulfilling the client mandate.

19. TRANSACTION COSTS

The estimated costs payable by EOH in respect of the Transactions (VAT exclusive) are set out below:

Service	Service provider	Amount (R'000)
Joint Financial Advisors	RMB	13 833
	Standard Bank	9 833
Transaction Sponsor	Standard Bank	400
Legal Advisor to EOH	DLA Piper Advisory Services Proprietary Limited	2 500
Legal Advisor to Joint Financial Advisors and Transaction Sponsor	Bowman Gilfillan Incorporated	2 000
Independent Expert (Fairness Opinion)	Nodus Capital TS Proprietary Limited	1 250
Independent Reporting Accountant	PwC	800
Publishing and printing	Oak Tree	300
JSE documentation inspection fee	JSE	105
Transfer Secretaries	Computershare	100
Total		31 121

As at the date of this Circular no underwriting agreement has been entered into. Transaction costs relating to the Rights Offer therefore exclude potential underwriter fees, which may be incurred, as EOH intends to appoint one or more underwriters in due course and is subject to future agreement.

20. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents will be available for inspection and can be obtained from the registered office of the Company and Standard Bank (acting as Transaction Sponsor) (as well as electronically at IR@eoh.com) during normal business hours (excluding Saturdays, Sundays and South African public holidays) from the date of this Circular up to and including Tuesday, 13 December 2022:

- this Circular;
- the Memorandum of Incorporation and the memorandum of incorporation of each of its major subsidiaries;
- the interim financial results for the six months ended 31 January 2022;
- the annual financial statements of the Company for the three years ended 31 July 2022, 31 July 2021 and 31 July 2020;
- the Independent Expert Opinion;
- the irrevocable undertaking by Lebashe;
- the *pro forma* financial information of the EOH Group comprising the *pro forma* consolidated statement of profit or loss and other comprehensive income and the *pro forma* consolidated statement of financial position on Scenarios 1 and 3;
- the Independent Reporting Accountants reasonable assurance report on the *pro forma* financial information;
- the agreements relating to the 2018 Empowerment Transaction, including the updated Amended and Restated Relationship agreement;
- the experts' consents referred to in paragraph 17 of this Circular; and
- the Subscription Agreement.

Signed by Megan Pydigadu for and on behalf of the Board of EOH in terms of a round robin resolution of the Board authorising Megan Pydigadu to sign on their behalf.

Megan Pydigadu
Group Chief Financial Officer

Monday, 14 November 2022

REPORT OF THE INDEPENDENT EXPERT

The Directors
EOH Holdings Ltd
EOH Office Park
First Floor
Block E
Pinmill Farm
164 Katherine Street
Sandton, 2148
South Africa

Dear Sirs

9 November 2022

INDEPENDENT EXPERT OPINION TO EOH HOLDINGS LTD (“EOH” or the “Company”) IN TERMS OF THE JSE LISTINGS REQUIREMENTS (the “Listings Requirements”)

Introduction

EOH shareholders (the “**EOH Shareholders**”) are referred to the announcement published by EOH on the Stock Exchange News Service (“**SENS**”) of the JSE Limited (“**JSE**”) on Monday, 31 October 2022 (the “**Announcement**”), in which EOH announced that the Company is putting in place the necessary measures to be able to proceed with a renounceable rights offer of up to R500 million (the “**Rights Offer**”), which Rights Offer is intended to be at a discount to the market price for EOH ordinary shares (the “**EOH Shares**”), as per normal market practice.

Lebashe Investment Group (Pty) Ltd (“**Lebashe**”) has agreed, subject to certain terms and conditions, to provide a partial underpin to the capital raise the Company is undertaking in the form of (i) an irrevocable undertaking to follow its rights and (ii) a commitment to subscribe for EOH Shares at a subscription price equal to the Rights Offer price (the “**Subscription Price**”) per EOH Share, for an aggregate subscription price of R100 million, immediately after the Rights Offer through a specific issue of EOH Shares to Lebashe (the “**Specific Issue**”). The Rights Offer and the Specific Issue are collectively referred to as the “**Capital Raise**”.

Over the past three years, EOH has spent a significant amount of time on its turnaround strategy, focused on dealing with the legacy issues inherited by the current management team and refining and revising its capital and corporate structure to stabilise the business (focused on quality of earnings, cost reduction and solving the substantial legacy debt and inefficient capital structure), and positioning EOH for future growth. Notwithstanding significant progress to date, EOH’s deleveraging and liquidity objectives remain incomplete, with EOH continuing to be burdened by its debt commitments and interest obligations which necessitated renegotiation of its debt funding package with its lender group which was concluded on 1 April 2022. The funding package comprises a R500 million three-year term facility with a bullet payment and a bridge facility payable by 1 April 2023, which currently has ~R728 million outstanding (the “**Bridge Facility**”). Effective from 12 October 2022 the lender group has extended the repayment of the Bridge Facility to 31 December 2023 at the latest, with the requirement that any proceeds from the Capital Raise must be paid against the Bridge Facility by 31 January 2023.

The Company needs to therefore proceed with the Capital Raise in order to reduce the Bridge Facility utilised by the Company. The Specific Issue assists the Company to partially de-risk the Rights Offer and increase the probability of securing the maximum proceeds from the Capital Raise, so providing the required conviction and support for the Capital Raise.

In 2018, EOH concluded an empowerment transaction (the “**Empowerment Transaction**”) with Lebashe that entailed an investment by Lebashe of R750 million into the Company, which was a necessary capital injection for EOH at that stage. The Empowerment Transaction also comprised the issue of 40 million of a new class of voting-only A Shares (the “**A Shares**”) to Lebashe, each of which are redeemable in exchange for a certain number of EOH Shares (as outlined in Annexure 5 of the EOH empowerment transaction circular published on 20 August 2018 – the “**Empowerment Circular**”) after a 5-year period, subject to the EOH share price reaching a strike price of R90 per share. As at the Last Practicable Date, as defined in the circular to be distributed to EOH Shareholders (the “**Circular**”), Lebashe holds an economic interest of ~13.5% through its EOH Shares and a voting interest of ~30.1% in aggregate, through its EOH Shares (~13.5%) and A Shares (~16.6%).

Subsequent to the implementation of the Empowerment Transaction, EOH's share price has decreased in value resulting in the A Shares currently having no economic value. In the context of the current market environment and operating conditions, it is unlikely that value will be created for the A Shares by its maturity date of 30 September 2023.

In keeping with the spirit of the Empowerment Transaction, the Company and Lebashe propose amending the A Share terms by: (i) reducing the strike price of the A-Shares from R90 per EOH share to a price per EOH share equal to the share price immediately after implementation of the Rights Offer increased by a 25% compounded annual growth rate ("**CAGR**") and (ii) extending the maturity date of the A Shares by a further 5 years (the "**Share Restructure**"). The objective of this amendment would be to provide Lebashe a reasonable prospect of redeeming the A Shares upon maturity, whilst also extending the life of the Empowerment Transaction (and the resultant benefits thereof to the Company and in the spirit of the Empowerment Transaction) by a further 5 years.

All other terms and conditions of the A Shares, as approved by EOH Shareholders for the Empowerment Transaction, will remain unchanged.

The restrictions imposed on Lebashe are more fully set out in the Circular and the Empowerment Circular.

Lebashe is a related party to EOH, as defined in Section 10.1 of the Listings Requirements.

The Specific Issue and the Share Restructure are inter-conditional transactions and are collectively referred to as the "**Proposed Transaction**".

Full details and the terms of the Proposed Transaction are contained in the Circular which will include a copy of this opinion.

The material interests of the directors are set out in paragraph 11.2 of the Circular.

Scope

The Specific Issue is to a related party as defined in Section 10.1 of the Listings Requirements for a subscription price that is at a discount to the 30-day weighted average traded price and, accordingly, in terms of Section 5.51(f) of the Listings Requirements, EOH is required to appoint an independent expert to provide a fairness opinion.

In terms of Section 5.51 of the Listings Requirements, EOH is required to appoint an independent expert to provide a fairness opinion on the Share Restructure.

Nodus Capital TS Proprietary Limited ("**Nodus**") has been appointed by the board of the Company (the "**Board**") as the Independent Expert to advise on whether the terms and conditions of the Specific Issue and Share Restructure are fair to the EOH Shareholders, excluding Lebashe, in the form of a fairness opinion (the "**Opinion**" or the "**Fairness Opinion**").

Responsibility

Compliance with the Listings Requirements is the responsibility of the Board. Our responsibility is to report on the terms and conditions of the Proposed Transaction in compliance with the related provisions of the Listings Requirements.

We confirm that our Fairness Opinion has been provided to the Board for the sole purpose of assisting them in forming and expressing an opinion for the benefit of the EOH Shareholders in relation to the Proposed Transaction. This opinion is prepared solely for the Board and therefore should not be regarded as suitable for use by any other party or give rise to third party rights.

Definition of the term “fair”

The “fairness” of a transaction is based on quantitative issues.

The Proposed Transaction would be considered fair to the shareholders of EOH if the value received by EOH in terms of the Proposed Transaction is equal to or greater than the cost of the Proposed Transaction. Conversely, the Proposed Transaction would be considered unfair to the shareholders of EOH if the value received by EOH in terms of the Proposed Transaction is less than the cost of the Proposed Transaction.

In determining the value received by EOH in terms of the Specific Issue and the Share Restructure we have considered the financial benefit expected to be derived from the Specific Issue and the Share Restructure, represented by the present value of the estimated impact on EOH’s future cash flows if the Specific Issue and the Share Restructure is not concluded (the “**Financial Benefit**”). Against this, we have considered the cost of the Specific Issue and the Share Restructure, represented by the fair value of the embedded option held by Lebashe applicable to the Share Restructure, the discount applicable to the Specific Issue and other relevant transaction costs (the “**Economic Cost**”).

In opining on whether or not the Proposed Transaction is fair to the EOH Shareholders, we have considered whether the Financial Benefit exceeds the Economic Cost of the Proposed Transaction. Since the Specific Issue is not divisible from the Share Restructure, the resultant Financial Benefit and Economic Cost of each transaction are considered in aggregate for the purposes of expressing our opinion.

Details and sources of information

The principal sources of information used in performing our work include:

- The Announcement;
- The terms and conditions of the Specific Issue and Share Restructure, 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 Specific Issue and Share Restructure;
- Representations and assumptions made available by, and discussions held with, the Board and management of EOH, regarding the rationale for the Specific Issue and Share Restructure;
- Discussions with the Board and management on prevailing market, economic, legal and other conditions which may affect underlying value;
- Publicly available information relating to the industries in which EOH operates;
- Publicly available information relating to EOH that we deemed to be relevant, including Company announcements, media articles, and analyst presentations, where applicable;
- Share price information of EOH over the last 12 months to assess the relative liquidity and volatility of EOH Shares;
- Published current and historical market data on EOH;
- Published current and historical market data on indices relating to the industry that EOH operates in;
- Chronux Research reports on EOH dated 10 December 2021 and 3 February 2022 (the “**Analyst Reports**”);
- Annual Integrated Report of EOH for the year ended 31 July 2021;
- Audited annual financial results of EOH for ended 31 July 2022;
- Board approved forecast financial information of EOH on a consolidated basis for the three-years ending 31 July 2025;
- The terms and conditions of the Empowerment Transaction as set out in the Empowerment Circular;
- Information provided by management regarding the Economic Costs and Financial Benefit of the Specific Issue and Share Restructure, including a narrative on the Broad-Based Black Economic Empowerment (“**BEE**”) factors affecting EOH (the “**BEE Document**”), a synopsis of discussions with key shareholders in respect of the Rights Offer as well as the implications for EOH should the Bridge Facility agreements be breached (the “**Funding Document**”);
- Precedent transactions of a similar nature; and
- The Specific Issue and Share Restructure transaction agreements comprising:
 - Amendments to the EOH Memorandum of Incorporation;
 - Amendments to the transaction agreements of the Empowerment Transaction;
 - Amendments to the relationship agreement between the Company and Lebashe; and
 - the subscription agreement between the Company and Lebashe in respect of the Specific Issue (collectively the “**Transaction Agreements**”).

The information above was obtained 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 performed

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

- Reviewed the Transaction Agreements in relation to the Proposed Transaction;
- Reviewed the Department of Trade and Industry's Code of Good Practice for BEE and EOH's BEE scorecard before and the potential impact of the Proposed Transaction, specifically in relation to the economic and voting rights elements of the scorecard;
- Reviewed the terms and conditions of the Proposed Transaction;
- Considered the rationale for and the use of proceeds from the Proposed Transaction, as represented by the Board, its advisors, EOH management and disclosed in the Circular;
- Supplemented our knowledge and understanding of EOH as well as the industries in which it operates;
- Held discussions with management on the prospects of EOH and considered such other matters as we consider necessary, including assessing the prevailing economic and market conditions and trends;
- Reviewed and analysed the historical financial information of EOH, as detailed above, noting specifically that EOH has undergone fundamental organisational restructuring, making historical comparisons more impractical than under normal circumstances;
- Reviewed and obtained an understanding of the forecast financial information of EOH from management. 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 sector-specific data;
- Applied Nodus' assumptions of cost of capital to the consolidated forecast cash flows to produce a consolidated discounted cash flow ("DCF") valuation of EOH;
- Determined the fair value of an EOH Share by applying appropriate generally accepted valuation approaches and methods used in the market from time to time;
- 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;
- Reviewed, considered and discussed with EOH management the BEE Document and the Funding Document;
- Prepared an estimate of the Financial Benefit to EOH of concluding the Proposed Transaction. In determining this benefit, the following procedures were performed:
 - Through various discussions with management, assessed the risks to EOH of not concluding the Proposed Transaction as well as the benefits of concluding the Proposed Transaction;
 - Discussed with management existing contracts and ascertained a quantification of the potential business at risk of being lost were the Proposed Transaction not concluded;
 - Discussed with management the implications and impact on EOH should it be in default of the terms and conditions of the Bridge Facility;
 - Identified the mitigating factors that management could take to minimise the identified risks; and
 - Based on the above, performed a quantification of the potential cash flow effects to EOH and quantified the net present value (the "NPV") of the potential lost cash flows, if any, should the Proposed Transaction not be concluded;
- Prepared an estimate of the Economic Cost to EOH of concluding the Proposed Transaction. In determining this cost, the following procedures were performed:
 - Reviewed the historic prices and volumes and calculated the historic volatility of an EOH Share;
 - Quantified the implied discount of the Subscription Price viz a viz the fair value of an EOH Share, in respect of the Specific Issue; and
 - Prepared an estimate of the Economic Cost to EOH of concluding the Share Restructure being the fair value of the embedded option held by Lebashe, reviewed the International Financial Reporting Standards 2 Share-based Payment ("IFRS 2") cost and other transaction costs as detailed in the Circular;
- Assessed the long-term potential of EOH;
- 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;
- 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, including reviewing the Analyst Reports;
- 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 work;
- Evaluated the relative risks associated with EOH and the industries in which it operates;
- Reviewed EOH's historic traded share prices and trading volumes on the JSE to ascertain the relative trading activities, liquidity and volatility of the EOH Shares;
- Reviewed the Empowerment Circular;
- Where relevant, representations made by management and/or directors 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 businesses of EOH;

- For assets held for sale, considered the expected disposal proceeds less costs to sell;
- Held discussions with the directors and management of EOH as to their strategy and the rationale for the Proposed Transaction and considered such other matters as we considered necessary; and
- Obtained from the management of EOH a letter of representation in respect of amongst other things the information shared and/or statements made to us and upon which we have relied.

We have not interviewed any of the EOH Shareholders to obtain their views on the Proposed Transaction.

Based on the results of the procedures mentioned above, we determined the fairness of the Proposed Transaction. We believe that the above considerations justify the opinions outlined below.

Limiting conditions

This Opinion of the Independent Expert is provided to the Board in connection with and for the purpose of the Proposed Transaction. The Opinion of the Independent Expert does not purport to cater for each individual EOH Shareholder's perspective, but rather that of the general body of EOH Shareholders.

We have relied upon and assumed the accuracy of the information provided to and obtained by 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 EOH 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.

This Opinion of the Independent Expert is provided in terms of the Listings Requirements. It does not constitute a recommendation to any EOH Shareholder as to how to vote at any shareholders' meeting relating to the Proposed Transaction or on any matter relating to it. Therefore, it should not be relied upon for any other purpose. We assume no responsibility to anyone if this Opinion of the Independent Expert is used or relied upon for anything other than its intended purpose. Should an individual EOH Shareholder have any doubts as to what action to take, such shareholder should consult an independent advisor.

Budgets/projections/forecasts relate to future events and are based on assumptions, which may not remain valid for the whole of the forecast period. Accordingly, this 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 actual results will correspond to those projected/forecast by the management of EOH. We have compared the projected/forecast financial information to past trends as well as discussed the assumptions inherent therein with management. Our Opinion does not include an evaluation of the commercial rationale of the Proposed Transaction.

We have also assumed that the Proposed Transaction 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 this opinion, and we are under no obligation to update, review or re-affirm our opinion based on such developments.

The valuation of companies and businesses is not a precise science and conclusions arrived at, will, in many cases, be subjective and dependent on the exercise of individual judgment. Whilst we consider our opinion to be defensible based on the information available to us others may have a different view and arrive at a different conclusion.

Valuation and Valuation Considerations

The Economic Cost of the Specific Issue and the Share Restructure

The Economic Costs comprises a number of components, i.e.

- Specific Issue
 - Discount of the Subscription Price viz a viz the fair value of an EOH Share, taking into account the effects of the Rights Offer;
 - Transaction related costs;
- Share Restructure
 - Fair value of the embedded option held by Lebashe; and
 - Transaction related costs.

In determining the Subscription Price for the purposes of our Opinion, we utilised the closing share price of EOH on 26 October 2022 of R4.40 (the “**Spot Price**”) and applied the Subscription Price formula as disclosed in the Circular. The theoretical ex-rights price (the “**TERP**”) of an EOH Share, after the Rights Offer, was calculated taking into account the expected discount range of 20% to 40% (the “**Discount Range**”) to the TERP, as disclosed in the Circular. We note that a selected set of rights issues undertaken by JSE listed companies revealed a discount range of 3.4% to 44.4%, with an average of 23.5%. The impact of the Discount Range on the implied Subscription Price is illustrated below:

	20%	30%	40%
Subscription Price (R)	2.93	2.20	1.46
EOH Shares to be issued to Lebashe (m)	34.2	45.5	68.7

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 (the “**Base Valuation**”).

The valuation was performed taking cognisance of risk and other market and industry factors affecting EOH and are based on Board approved forecast to 31 July 2025. External value drivers, including; key macro-economic parameters such as, gross domestic product growth rates (forecast to grow at ~2% in 2022 and ~1.5% in 2023), interest rates (the prime lending rate peaking at ~10% during the forecast period), headline inflation rates (~7% in 2022, 5.2% in 2023 and averaging ~4.6% thereafter) and prevailing market and industry conditions were considered in assessing the forecast cash flows and risk profile of EOH.

Key internal value drivers included the discount rate (represented by the weighted average cost of capital (“**WACC**”)), revenue growth, operating margins, working capital requirements and capital expenditure requirements. EOH’s existing client base, new customers and/or revenue streams are the main drivers of expected revenues to be derived over the forecast period. Input costs and inflation are the main drivers of operating profit margins. We determined a WACC range for EOH of ~18% to ~20%.

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

- Increasing and decreasing the base case WACC by a maximum of 1%;
- Increasing and decreasing the compound annual revenue growth rate by a maximum of 0.5%; and
- increasing and decreasing the EBITDA margins by a maximum of 0.5%.

These sensitivity analyses did not indicate a sufficient effect to alter our Opinion.

We employed a Black-Scholes option pricing model to determine the embedded value of the option inherent in the Share Restructure. 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, potential dividends and the time to the option’s expiry. This model is appropriate if we assume that the transaction will unwind (i.e. Lebashe will simply surrender all of the A Shares) only at the expiry period. Based on our discussions with EOH management and the Transaction Agreements, the existing lock-in period applicable to Lebashe will be extended to October 2028 (the “**Lock-in Period**”). The option inherent in the A Shares can therefore be considered as a European option.

Value drivers of the Black-Scholes option pricing model valuation, based on the Discount Range, include:

	20%	30%	40%
TERP of an EOH Share, based on the Spot Price	R3.66	R3.14	R2.43
Strike price, equal to the TERP increased by 25% CAGR over ~6 years	R12.96	R11.12	R8.61
Risk free rate	~9.2%	~9.2%	~9.2%
Expected volatility of an EOH Share	~60%	~60%	~60%
Lock-in Period	~6 yrs	~6 yrs	~6 yrs

The risk-free rate is based on the R186 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 Share is the key external value driver. The dividend yield is the key internal value driver and is based on management’s forecasted expectation of dividends.

The Economic Cost was determined by taking cognisance of risk and other market and industry factors affecting EOH.

Additionally, sensitivity analyses were performed considering key value drivers which comprise the expected volatility of an EOH Share and dividend yield as follows:

- increasing and decreasing the volatility by a maximum of 500 basis points; and
- increasing and decreasing the dividend yield by a maximum of 100 basis points.

The sensitivity analysis did not indicate a sufficient effect to alter our opinion.

The Financial Benefit of the Specific Issue and the Share Restructure

In assessing the quantifiable benefits of the Specific Issue and Share Restructure, we held discussions with management of EOH to identify and understand the impact on EOH if the Specific Issue and Share Restructure is not concluded.

We note that EOH is currently a BEE Level One Contributor.

EOH's biggest 10 customer sectors (the "Top Ten") contribute ~90% of EOH's latest revenue. The two largest customer sectors are the financial services and public sector (the "Top Two"), contributing ~38% of revenue. A BEE Level One or Two Contributor level is considered a strategic advantage by EOH, especially in obtaining business from the Top Two. Achieving lower than a BEE Level Four Contributor level would put the remainder of the Top Ten at risk. Furthermore, the majority of EOH's competitors are rated at a BEE Level One or Two.

Management represented that should Lebashe exit its full shareholding, EOH would, in all likelihood, reduce to a BEE Level Three Contributor level, however, this impact would place EOH under pressure to ensure a level 1 rating in future, especially in light of the impending ICT Sector Codes, and possibly necessitating that EOH seek out other empowerment shareholders. EOH is not in control of its listed shareholder base and therefore cannot rely on these as guaranteed for purposes of targeting a level 1 BEE rating. In addition, this exercise is often costly, requires comprehensive and time-consuming due diligence process, and takes a significant time period to conclude.

Whilst it was noted that the majority of key contracts do not have a clause requiring EOH to maintain a particular BEE level (typical clauses exist in respect of time periods to rectify), the BEE level is critical at the time of bidding or tendering for public sector work, the latter being one of the Top Two. In the private sector a high BEE level provides a competitive advantage. EOH's BEE level therefore plays a critical role in the business in order for it to secure work and achieve its revenue under the forecast, especially where it has not yet been contracted. At present, 11 of EOH's top 20 contracts are due for renewal in the next 12 months. These contracts account for R1.1 billion of the Group's revenue.

The Proposed Transaction impacts EOH's BEE Scorecard on the ownership element. The Specific Issue's biggest impact, in isolation, is in respect of the black economic rights and black voting rights, whereas the Share Restructure's impact, in isolation, is in respect of the black voting rights.

The Specific Issue is a key element of the Capital Raise which, if unsuccessful, may cause EOH to breach the terms and conditions of the Bridge Facility. We note that EOH is, at the date of this Opinion, contemplating appointing underwriters for the Rights Offer. If successful, this may reduce the risk of the Rights Offer. The Specific Issue also underscores Lebashe's long-term commitment to EOH by it committing an additional R100 million in capital.

In assessing the quantifiable benefits, we held discussions with management to identify and understand the impact on EOH if the Proposed Transaction was not concluded. We also considered the cash injection from the Specific Issue and the critical role it plays in the Capital Raise and contributing towards EOH's settlement of the Bridge Facility, as contractually required.

EOH defaulting under the Bridge Facility may have a significant negative impact on EOH across all of EOH's funding facilities and may lead to the funders enforcing their rights and obligations under the funding agreements, which may adversely impact EOH Shareholders and the value of their respective shareholdings. A default may, amongst others, result in lenders requiring EOH to execute further asset disposals and/or charge higher interest rates as penalty. Any default related interventions forced upon EOH by them, may result in a misalignment with EOH shareholders' interests as the lenders would focus on recovering their exposure. A default under the lending agreements could also potentially impact EOH with respect to both current and future customers as well as suppliers, having an adverse impact on EOH's revenue and liquidity position.

The Financial Benefit of the Proposed Transaction comprises the NPV of the potential cash flow effects on EOH if it does not implement the Proposed Transaction. This effect was calculated by using the Base Valuation and adjusting it to reflect the risk of lost business and resultant negative impact on operating profit and cash flows.

The key internal value drivers of the above adjusted DCF Valuation are estimates of projected earnings at risk, the probability of loss and the discount rate.

External value drivers of the adjusted DCF Valuation are similar to those of the Base Valuation.

We performed a sensitivity analysis on key assumptions included in the adjusted DCF Valuation. The sensitivity analysis was performed by:

- Increasing and decreasing the probability of loss by a maximum of 25%; and
- Decreasing and increasing the discount rate by a maximum of 1%.

The sensitivity analysis did not indicate a sufficient effect to alter our opinion in respect of the Proposed Transaction.

Nodus noted that once the Specific Issue and Share Restructure is concluded it should result in reinforcing the overall ownership element of EOH's BEE score. The Share Restructure results in the Lock-in Period extending to Lebashe's current EOH shares, any shares it takes up under the Rights Offer and the Specific Issue, so cementing Lebashe's commitment as EOH's strategic BEE shareholder until October 2028. By locking in Lebashe, the Company secures a substantial BEE shareholding for a 6-year period, whereas other BEE shareholdings are mostly in the form of institutions and may fluctuate as these institutions change investment positions. Failure to implement the Share Restructure could result in Lebashe, theoretically, being able to sell all the current EOH shares it owns in October 2023 and negatively impacting EOH's BEE scorecard. In addition, any EOH shares Lebashe acquires under the Rights Offer will not be subject to the Lock-in Period, should the Share Restructure not be implemented.

Accordingly, Nodus considered the positive financial impact that the reinforcement of 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. The impact of this is not, however, specifically quantifiable, as it is dependent on uncertain future events.

We also note that EOH's reputation is expected to be negatively impacted in the event that its BEE ownership status decreases. The impact of this is not, however, specifically quantifiable.

Assumptions

Our Opinion is based on the following key assumptions:

- Any agreements that will or have been entered into in terms of the Proposed Transaction will be legally enforceable;
- The Proposed Transaction will have the legal, accounting and taxation consequences described in discussions with, and materials furnished to us by representatives and advisors of EOH;
- Reliance can be placed on the financial information of EOH; and
- For the purposes of this Opinion of the Independent Expert, we assumed EOH's existing businesses to be ongoing under current business plans and management.

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 the forecast financial information, such as key ratio and trend analyses, where applicable; and
- Determining the extent to which representations from EOH management were confirmed by documentary and audited financial evidence, as well as our understanding of EOH and the economic environment in which it operates.

Opinion

Nodus has considered the terms and conditions of the Proposed Transaction and, based on and subject to the conditions set out herein, is of the opinion that the terms and conditions of the Proposed Transaction based on quantitative considerations, are fair to EOH Shareholders insofar as the Proposed Transaction is concerned.

Our Opinion is necessarily based upon the information available to us up to the Last Practicable Date, 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 Proposed Transaction will be timeously 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.

Independence, competence and fees

We confirm that Nodus has no direct or indirect interest in EOH nor do we have any relationship with EOH or any person related to EOH such as would lead a reasonable and informed third party to conclude that our integrity, impartiality or objectivity has been compromised by such relationship. We also confirm that we have the necessary qualifications and competence to provide the Fairness Opinion.

Furthermore, we confirm that our professional fee, payable in cash, is not contingent upon the success of the Proposed Transaction.

Consent

We consent to the inclusion of this letter and the reference to our Opinion in the Circular to be issued to the Shareholders of EOH in the form and context in which it appears and in any required regulatory announcement or documentation.

Yours faithfully

Johan le Roux CA(SA)

Director: Nodus Capital TS (Proprietary) Limited

Building 2
Commerce Square Office Park
39 Rivonia Road
Sandhurst
2196

PRO FORMA FINANCIAL INFORMATION OF THE EOH GROUP

The definitions and interpretations commencing on page 9 of this Circular have been used throughout this Circular.

Set out below is the *pro forma* consolidated statement of financial position and consolidated statement of profit or loss and other comprehensive income of the EOH Group, showing the *pro forma* financial effects of the Rights Offer, Specific Issue and A Share Amendments (collectively “the Transactions”) illustrating the scenario assuming the Rights Offer Price and the Subscription Price being at a 30% discount to the TERP (the “*pro forma* financial information”). Scenarios 1 and 3 are available for inspection in terms of paragraph 20 of this Circular. As at the date of this Circular, the pricing of the Rights Offer has not been finalised. In order to provide Shareholders with an illustrative view of the impact of the Transactions, a range was selected in order to illustrate the *pro forma* effects of the Transactions.

The *pro forma* financial information has been prepared to illustrate the impact of the Transactions on the published annual financial information of the EOH Group for the year ended 31 July 2022. Because of its nature, the *pro forma* financial information may not fairly present the EOH Group’s financial position, changes in equity, results of operations or cash flows after the implementation of the Transactions.

The *pro forma* financial information has been prepared using accounting policies of the EOH Group as at 31 July 2022, which are in compliance with IFRS, in accordance with the applicable criteria of the JSE Listings Requirements, and in terms of the Guide on *Pro forma* Financial Information issued by the South African Institute of Chartered Accountants.

The *pro forma* financial information, including the assumptions on which it is based and the financial information from which it has been prepared is the responsibility of the Directors.

The *pro forma* financial information, should be read in conjunction with the Independent Reporting Accountant’s reasonable assurance report thereon contained in **Annexure 3** to this Circular.

Pro forma consolidated statement of profit or loss and other comprehensive income for year ended 31 July 2022

The *pro forma* consolidated statement of profit or loss and other comprehensive income for the year ended 31 July 2022 has been prepared to show the impact of the Transactions as if they were effective 1 August 2021

Rands in thousands	Notes	EOH	Rights	Adjusted	Specific	Amendment	Transaction	Pro-forma
		before	Offer	pro forma	Issue	to A Share terms	costs	after the Transactions
		1	2		3	4	5	
Continuing operations								
Revenue		6 031 100	–	6 031 100	–	–	–	6 031 100
Cost of sales		(4 341 284)	–	(4 341 284)	–	–	–	(4 341 284)
Gross profit		1 689 816	–	1 689 816	–	–	–	1 689 816
Net financial asset impairment losses		(59 719)	–	(59 719)	–	–	–	(59 719)
Operating expenses		(1 530 455)	–	(1 530 455)	–	–	(1 716)	(1 532 171)
Operating profit		99 642	–	99 642	–	–	(1 716)	97 926
Investment income		26 322	–	26 322	–	–	–	26 322
IFRS 2 Charge		–	–	–	(42 857)	(25 753)	–	(68 610)
Finance costs	6	(216 292)	45 860	(170 432)	9 172	–	–	(161 260)
Loss before taxation		(90 328)	45 860	(44 468)	(33 685)	(25 753)	(1 716)	(105 622)
Taxation		(69 918)	–	(69 918)	–	–	–	(69 918)
Loss for the year from continuing operations		(160 246)	45 860	(114 386)	(33 685)	(25 753)	(1 716)	(175 540)
Owners of EOH Holdings Limited		(167 224)	45 860	(121 364)	(33 685)	(25 753)	(1 716)	(182 518)
Non-controlling interests		6 978	–	6 978	–	–	–	6 978
Profit for the year from discontinued operations		141 847	–	141 847	–	–	–	141 847
Loss for the year		(18 399)	45 860	27 461	(33 685)	(25 753)	(1 716)	(33 693)

Pro forma consolidated statement of profit or loss and other comprehensive income for year ended 31 July 2022 (continued)

Rands in thousands	EOH before	Rights Offer	Adjusted <i>pro forma</i>	Specific Issue	Amendment	Transaction costs	<i>Pro-forma</i> after the Transactions
					to A Share terms		
Notes	1	2		3	4	5	
Other comprehensive income							
<i>Items that may be reclassified to profit or loss</i>							
Exchange differences on translation of foreign operations	(10 028)	–	(10 028)	–	–	–	(10 028)
Reclassification of foreign currency translation differences on loss of control and joint control	(71 716)	–	(71 716)	–	–	–	(71 716)
Total comprehensive loss for the year	(100 143)	45 860	(54 283)	(33 685)	(25 753)	(1 716)	(115 437)
<i>(Loss)/profit attributable to:</i>							
Owners of EOH Holdings Limited	(24 868)	45 860	20 992	(33 685)	(25 753)	(1 716)	(40 162)
Non-controlling interests	6 469	–	6 469	–	–	–	6 469
	(18 399)	45 860	27 461	(33 685)	(25 753)	(1 716)	(33 693)
<i>Total comprehensive (loss)/income attributable to:</i>							
Owners of EOH Holdings Limited	(107 628)	45 860	(61 768)	(33 685)	(25 753)	(1 716)	(122 922)
Non-controlling interests	7 485	–	7 485	–	–	–	7 485
	(100 143)	45 860	(54 283)	(33 685)	(25 753)	(1 716)	(115 437)
Headline earnings from continuing and discontinued operations reconciliation							
Loss attributable to owners of EOH Holdings Limited	(24 868)	45 860	20 992	(33 685)	(25 753)	(1 716)	(40 162)
<i>Adjusted for:</i>							
Loss on disposal of intangible assets and property, plant and equipment	12 341	–	12 341	–	–	–	12 341
(Profit)/loss on disposal of subsidiaries and equity-accounted investments	(95 568)	–	(95 568)	–	–	–	(95 568)
IAS 36 impairment of goodwill	13 881	–	13 881	–	–	–	13 881
IAS 36 impairment of intangible assets and property, plant and equipment	4 995	–	4 995	–	–	–	4 995
IFRS 5 remeasurement to fair value less costs to sell	59 454	–	59 454	–	–	–	59 454
Total non-controlling interest effects on adjustments	(160)	–	(160)	–	–	–	(160)
Headline loss from continuing and discontinued operations	(29 925)	45 860	15 935	(33 685)	(25 753)	(1 716)	(45 219)

Pro forma consolidated statement of profit or loss and other comprehensive income for year ended 31 July 2022 (continued)

Rands in thousands	Notes	Amendment to A Share terms						Pro-forma after the Transactions
		EOH before	Rights Offer	Adjusted pro forma	Specific Issue	Transaction costs		
		1	2	3	4	5		
Headline earnings from continuing operations reconciliation (net)								
Loss attributable to owners of EOH Holdings Limited		(24 868)	45 860	20 992	(33 685)	(25 753)	(1 716)	(40 162)
Adjusted for discontinued operations		(142 356)	–	(142 356)	–	–	–	(142 356)
Continuing loss attributable to ordinary shareholders		(167 224)	45 860	(121 364)	(33 685)	(25 753)	(1 716)	(182 518)
Continuing operations adjustments:								
Loss on disposal of intangible assets and property, plant and equipment		12 354	–	12 354	–	–	–	12 354
(Profit)/loss on disposal of subsidiaries and equity-accounted investments		(3 112)	–	(3 112)	–	–	–	(3 112)
IAS 36 impairment of goodwill		13 881	–	13 881	–	–	–	13 881
IAS 36 impairment of intangible assets and property, plant and equipment		5 056	–	5 056	–	–	–	5 056
IFRS 5 remeasurement to fair value less costs to sell		17 506	–	17 506	–	–	–	17 506
Total non-controlling interest effects on adjustments		(161)	–	(161)	–	–	–	(161)
Headline loss from continuing operations		(121 700)	45 860	(75 840)	(33 685)	(25 753)	(1 716)	(136 994)
From continuing and discontinued operations (cents)								
(Loss)/earnings per share		(15)	–	5	–	–	–	(9)
Diluted (loss)/earnings per share		(15)	–	5	–	–	–	(9)
Headline (loss)/earnings per share		(18)	–	4	–	–	–	(10)
Diluted headline (loss)/earnings per share		(18)	–	4	–	–	–	(10)
Weighted average number of shares in issue ('000)*		168 755	239 193	407 948	47 839	2 180	–	457 967
From continuing operations (cents)								
Loss per share		(99)	–	(30)	–	–	–	(40)
Diluted loss per share		(99)	–	(30)	–	–	–	(40)
Headline loss per share		(72)	–	(19)	–	–	–	(30)
Diluted headline loss per share		(72)	–	(19)	–	–	–	(30)
Weighted average number of shares in issue ('000)*		168 755	239 193	407 948	47 839	2 180	–	457 967

*The impact of shares to be issued to vendors, share options and EOH A shares has been excluded from the weighted average diluted number of shares as they would be anti-dilutive.

Notes and assumptions:

- Based on the EOH Holdings Limited audited consolidated annual financial statements for the financial year ended 31 July 2022.
- The issue of 239 million Rights Offer Shares, on the assumption that 100% of the EOH Shareholders have taken up their rights, at a subscription price of R2.09 per EOH Share, being the TERP of R2.99 on the Last Practicable Date after a 30% discount, for an aggregate cash subscription price of R500 million. Transaction costs to be incurred related to the Rights Offer Shares will be capitalised in line with the requirements of the International Financial Reporting Standards, refer to column 5 as included in the Pro forma consolidated statement of financial position as at 31 July 2022. Transaction costs relating to the Rights Offer exclude potential underwriter fees, which may be incurred, as EOH intends to appoint one or more underwriters in due course and is subject to future agreement.
- The issue of 47.8 million Specific Issue shares, at a subscription price of R2.09 per EOH Share, being the TERP on the Last Practicable Date of R2.99 after a 30% discount, in-line with the Rights Offer Price, for an aggregate cash subscription price of R100 million, resulting in a once-off BEE share-based charge of approximately R43m in terms of IFRS 2 Share-Based Payments. The Specific Issue qualifies as an IFRS 2 Share-Based Payment transaction on the basis that it is directly linked to the BEE related transaction, being the A share Amendments and IFRS 2 specifically requires the recognition of a share-based payment charge on transactions where the value of cash and other assets received is less than the fair value of equity instruments granted to the BEE partner, being Lebashe.
- The issue of 40 million A Shares, pursuant to the A Share Amendments, based on an option price of R0.64 at maturity on 30 September 2028, resulting in a once-off BEE share-based charge of approximately R26m in terms of IFRS 2 Share-Based Payments and an increase in the number of EOH shares by 2.2 million, calculated using a Black-Scholes model, with an EOH Ordinary Share value of R4.20 as at the Last Practicable Date, an assumed dividend yield of 3.29%, assumed volatility of 38.68% as at the Last Practicable Date, assumed strike price of R11.81 and a risk-free rate 11.19% as at the Last Practicable Date.
- Represents estimated costs as follows:
 - Once-off transaction costs of R1.7m (including VAT) are expected to be incurred as a direct result of A Share Amendments. The transaction costs are assumed to be paid in cash. No VAT may be claimed on the transaction costs and they are not considered tax deductible.
- The cash inflow net of the once-off transaction costs and once-off commitment fee is assumed to be applied to reduce EOH Group's interest bearing debt and to optimise the EOH Group's balance sheet. The resultant interest saving has been calculated using a weighted average interest rate of approximately 8.3% p.a., being the average interest rates incurred on the various debt facilities, for the 12 month period ended 31 July 2022. The interest saving has been proportionally allocated to the Rights Offer and Specific Issue based on the respective amount of cash received. No tax charge is raised on the assumed interest savings due to the extent of available estimated taxation losses.
- All pro forma adjustments are of a recurring nature except where otherwise stated.

Pro forma consolidated statement of financial position as at 31 July 2022

The *pro forma* consolidated statement of financial position as at 31 July 2022 has been prepared to show the impact of the Transactions as if they were effective 31 July 2022.

Rands in thousands	Notes	EOH	Rights	Adjusted	Specific	Amendment	Transaction	Pro-forma
		before	Offer	<i>pro forma</i>	Issue	to A Share terms	costs	after the Transactions
		1	2		3	4	5	
ASSETS								
Non-current assets								
Property, plant, equipment and right-of-use assets		184 788	–	184 788	–	–	–	184 788
Intangible assets		83 515	–	83 515	–	–	–	83 515
Goodwill		674 574	–	674 574	–	–	–	674 574
Equity-accounted investments		–	–	–	–	–	–	–
Other financial assets		18 150	–	18 150	–	–	–	18 150
Deferred taxation		105 705	–	105 705	–	–	–	105 705
Finance lease receivables		10 723	–	10 723	–	–	–	10 723
		1 077 455	–	1 077 455	–	–	–	1 077 455
Current assets								
Inventories		90 122	–	90 122	–	–	–	90 122
Other financial assets		13 851	–	13 851	–	–	–	13 851
Current taxation receivable		35 095	–	35 095	–	–	–	35 095
Finance lease receivables		70 592	–	70 592	–	–	–	70 592
Trade and other receivables		1 828 655	–	1 828 655	–	–	–	1 828 655
Cash and cash equivalents		410 955	(1 179)	409 776	36 968	–	(35 789)	410 955
		2 449 270	(1 179)	2 448 091	36 968	–	(35 789)	2 449 270
Assets held for sale		225 532	–	225 532	–	–	–	225 532
Total assets		3 752 257	(1 179)	3 751 078	36 968	–	(35 789)	3 752 257

Pro forma consolidated statement of financial position as at 31 July 2022 (continued)

Rands in thousands	Notes	EOH	Rights	Adjusted	Specific	Amendment	Transaction	Pro-forma
		before	Offer	pro forma	Issue	to A Share terms	costs	after the Transactions
		1	2		3	4	5	
EQUITY AND LIABILITIES								
Equity								
Stated capital		4 217 285	498 821	4 716 106	100 000	–	(34 073)	4 782 033
Shares to be issued to vendors		393	–	393	–	–	–	393
Other reserves		494 754	–	494 754	42 857	25 753	–	563 364
Accumulated loss		(4 678 738)	–	(4 678 738)	(42 857)	(25 753)	(1 716)	(4 749 064)
Equity attributable to the owners of EOH Holdings Limited								
EOH Holdings Limited		33 694	498 821	532 515	100 000	–	(35 789)	596 726
Non-controlling interests		26 360	–	26 360	–	–	–	26 360
Total equity		60 054	498 821	558 875	100 000	–	(35 789)	623 086
Liabilities								
Non-current liabilities								
Other financial liabilities		496 486	–	496 486	–	–	–	496 486
Lease liabilities		51 438	–	51 438	–	–	–	51 438
Deferred taxation		28 258	–	28 258	–	–	–	28 258
		576 182	–	576 182	–	–	–	576 182
Current liabilities								
Other financial liabilities	6	937 876	(500 000)	437 876	(63 032)	–	–	374 844
Current taxation payable		36 481	–	36 481	–	–	–	36 481
Lease liabilities		55 449	–	55 449	–	–	–	55 449
Trade and other payables		1 700 828	–	1 700 828	–	–	–	1 700 828
Provisions		315 751	–	315 751	–	–	–	315 751
		3 046 385	(500 000)	2 546 385	(63 032)	–	–	2 483 353
Liabilities directly associated with assets held for sale		69 636	–	69 636	–	–	–	69 636
Total liabilities		3 692 203	(500 000)	3 192 203	(63 032)	–	–	3 129 171
Total equity and liabilities		3 752 257	(1 179)	3 751 078	36 968	–	(35 789)	3 752 257
Net asset value per share (cents)		20	–	131	–	–	–	130
Net tangible asset value per share (cents)		(492)	–	(81)	–	–	–	(58)
Number of shares in issue ('000)		168 755	239 193	407 948	47 839	2 180	–	457 967

Notes and assumptions

- Based on the EOH Holdings Limited audited consolidated annual financial statements for the financial year ended 31 July 2022.
- The issue of 239 million Rights Offer Shares, on the assumption that 100% of the EOH Shareholders have taken up their rights, at a subscription price of R2.09 per EOH Share, being the TERP of R2.99 on the Last Practicable Date after a 30% discount, for an aggregate cash subscription price of R500 million.
A once-off commitment fee of R1.18m (including VAT) owing to Lebashe, being an amount equal to 1.5% of Lebashe's full commitment to the Rights Offer is capitalised to equity. The commitment fee is assumed to be paid in cash and is not tax deductible. Transaction costs to be incurred related to the Rights Offer Shares will be capitalised in line with the requirements of the International Financial Reporting Standards, refer to column 5 above. Transaction costs relating to the Rights Offer exclude potential underwriter fees, which may be incurred, as EOH intends to appoint one or more underwriters in due course and is subject to future agreement.
- The issue of 47.8 million Specific Issue shares, at a subscription price of R2.09 per Ordinary Share, being the TERP on the Last Practicable Date of R2.99 after a 30% discount, in-line with the Rights Offer Price, for an aggregate cash subscription price of R100 million.
- The issue of 40 million A Shares, pursuant to the A Share Amendments, based on an option price of R0.64 at maturity on 30 September 2028, resulting in an increase in the number of EOH Shares by 2.2 million calculated using a Black Scholes model, with an Ordinary Share value of R4.20 as at the Last Practicable Date, an assumed dividend yield of 3.29%, assumed volatility of 38.68% as at the Last Practicable Date, assumed strike price of R11.81 and a risk-free rate 11.19% as at the Last Practicable Date.
- Represents estimated costs as follows:
 - Once-off transaction costs of R35.8m (including VAT) are expected to be incurred as a direct result of the Rights Offer, the Specific Issue, and A Share Amendments. The transaction costs are assumed to be paid in cash. No VAT may be claimed on the transaction expenses and they are not considered tax deductible. Transaction costs incurred as a result of the Capital Raise have been capitalised to equity.
- The cash inflow net of the once-off transaction costs and the once-off commitment fee is assumed to be applied to reduce EOH Group's interest bearing debt and to optimise the EOH Group's balance sheet.

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

"To the Directors of EOH Holdings Limited

1st Floor, Block E, Pinmill Farm
164 Katherine Street
Sandton, 2148
South Africa

We have completed our assurance engagement to report on the compilation of the *pro forma* financial information of EOH Holdings Limited ("EOH Holdings", the "Company", or "you") by the directors. The *pro forma* financial information, as set out in paragraph 7 and Annexure 2 of the Circular, consist of the *pro forma* consolidated statement of financial position as at 31 July 2022, the *pro forma* consolidated statement of profit or loss and other comprehensive income for the year ended 31 July 2022 and related notes. The applicable criteria on the basis of which the directors have compiled the *pro forma* financial information are specified in the JSE Limited (JSE) Listings Requirements and described in paragraph 7 and Annexure 2 of the Circular.

The *pro forma* financial information has been compiled by the directors to illustrate the impact of the Rights Offer, the Specific Issue and the A Share Amendments (collectively "the Transactions"). As part of this process, information about the Company's financial position and financial performance has been extracted by the directors from the Company's financial statements for the year ended 31 July 2022, on which an audit report has been published.

Directors' responsibility

The directors of the Company are responsible for compiling the *pro forma* financial information on the basis of the applicable criteria specified in the JSE Listings Requirements and described in paragraph 7 and Annexure 2 of the Circular.¹

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 corresponding sections of the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)*.

The firm applies 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 on the basis of the applicable criteria specified in the JSE Listings Requirements and described in paragraph 7 and Annexure 2 of the Circular 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.

¹ The examination of controls over the maintenance and integrity of the Group's website is beyond the scope of the assurance engagement to report on the compilation of the *pro forma* financial information. Accordingly, we accept no responsibility for any changes that may have occurred to the *pro forma* financial information since they were initially presented on the website.

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.

The purpose of *pro forma* financial information is solely to illustrate the impact of a significant event or transaction on unadjusted financial information of the company as if the event had occurred or the transaction had been undertaken at an earlier date selected for purposes of the illustration. Accordingly, 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 by the directors in the compilation of the *pro forma* financial information provide a reasonable basis for presenting the significant effects directly attributable to the event or transaction, 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.

The procedures selected depend on our judgement, having regard to our understanding of the nature of the Company, the event or transaction 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 paragraph 7 and Annexure 2 of the Circular.

PricewaterhouseCoopers Inc.

Director: Dirk Höll

Registered Auditor

Johannesburg, South Africa

9 November 2022”

EXTRACTS FROM THE COMPANY'S MOI

Underlined text reflects proposed insertions and cross-out text reflects proposed deletions as per special resolution 5 in the Notice of General Meeting.

“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 Lebashe E A Shares (RF) ~~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 510th ~~(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;
- 39.1.12A “Reference Price” means the closing price of the Ordinary Shares on the JSE on the Reference Price Date;
- 39.1.12B “Reference Price Date” means the trading day immediately after the announcement of the results of the Rights Offer;
- 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;
- 39.1.14A “Rights Offer” means the renounceable rights offer to be undertaken by the Company during the first quarter of 2023;
- 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;
- 39.1.16A “**Strike Price**” means an amount equal to the Reference Price increased at a compound annual growth rate of 25% from the Reference Price Date to the Maturity Date or Liquidation Dividend Date, as may be applicable. (both dates inclusive);
- 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 the Strike Price [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

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 39.9.1; 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 the Strike Price [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 the Strike Price 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 the Strike Price 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 = the Strike Price 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 HISTORY

The table below sets out the price history of the EOH Shares traded on the JSE, disclosing the aggregate volumes and values traded, and the highest and lowest prices traded each month over the twelve months and each day over the 30 trading days preceding the Last Practicable Date prior to the date of issue of this Circular.

Date	Close	High	Low	Open	Volume
1-Nov-2022	4.27	4.27	4.04	4.20	76 114
31-Oct-2022	4.23	4.76	4.01	4.76	4 062 683
28-Oct-2022	4.30	4.45	4.26	4.45	274 313
27-Oct-2022	4.30	4.44	4.25	4.44	144 621
26-Oct-2022	4.40	4.40	4.08	4.19	304 721
25-Oct-2022	4.20	4.20	4.05	4.16	79 673
24-Oct-2022	4.20	4.43	4.20	4.43	282 601
21-Oct-2022	4.40	4.47	4.32	4.44	82 347
20-Oct-2022	4.49	4.49	4.31	4.40	36 995
19-Oct-2022	4.50	4.59	4.34	4.59	107 205
18-Oct-2022	4.58	4.59	4.35	4.40	89 124
17-Oct-2022	4.55	4.55	4.24	4.29	186 182
14-Oct-2022	4.50	4.50	4.35	4.35	66 089
13-Oct-2022	4.36	4.50	4.21	4.30	94 699
12-Oct-2022	4.28	4.44	4.28	4.44	672
11-Oct-2022	4.44	4.50	4.29	4.49	51 423
10-Oct-2022	4.49	4.50	4.29	4.50	8 916
7-Oct-2022	4.52	4.52	4.22	4.37	189 402
6-Oct-2022	4.36	4.37	4.18	4.24	130 994
5-Oct-2022	4.24	4.54	4.04	4.49	815 591
4-Oct-2022	4.55	4.70	4.52	4.59	110 267
3-Oct-2022	4.60	4.76	4.56	4.76	636 138
30-Sep-2022	4.60	5.60	4.35	5.37	4 524 380
29-Sep-2022	4.57	4.57	4.35	4.35	244 838
28-Sep-2022	4.35	4.60	4.35	4.50	419 290
27-Sep-2022	4.51	4.91	4.51	4.71	215 953
26-Sep-2022	4.80	4.90	4.75	4.76	108 010
23-Sep-2022	5.00	5.00	4.71	4.83	82 220
22-Sep-2022	4.90	5.01	4.82	4.93	82 300
21-Sep-2022	4.94	4.94	4.79	4.79	54 571
31-Aug-2022	5.38	5.67	4.90	4.93	4 739 031
31-Jul-2022	4.97	5.50	4.86	5.08	4 473 797
30-Jun-2022	5.07	5.80	4.87	5.70	10 733 598
31-May-2022	5.70	6.05	5.11	5.35	4 592 612
30-Apr-2022	5.47	6.55	5.35	5.75	8 547 828
31-Mar-2022	5.80	5.91	4.65	4.88	8 531 010
28-Feb-2022	4.87	5.62	4.60	5.13	17 320 149
31-Jan-2022	4.91	7.10	4.79	6.80	11 982 491
31-Dec-2021	6.83	6.99	5.92	6.99	8 768 701
30-Nov-2021	7.19	7.72	6.43	7.65	7 125 197



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

All terms defined in the Circular to which this Notice of General Meeting is attached ("Circular") shall bear the same meanings herein.

Notice is hereby given that a general meeting of EOH Shareholders will be held at 10:30 on Tuesday, 13 December 2022 and will be conducted entirely by electronic participation as contemplated in section 63(2)(a) of the Companies Act and provided for by the Memorandum of Incorporation for the purpose of considering and, if deemed fit, passing, with or without modification, the resolutions set out below.

Shareholders are referred to the Circular, which sets out the information and explanatory material that they may require in order to determine whether to participate in the General Meeting and vote on the resolutions set out below.

Salient dates and times

	2022
Posting Record Date	Friday, 4 November
Date of issue of Circular	Monday, 14 November
Last Day to Trade to participate in and vote at the General Meeting	Tuesday, 29 November
Voting Record Date to participate in and vote at the General Meeting	Friday, 2 December
Written notice to participate electronically in the General Meeting to be delivered to EOH's offices (marked for the attention of the Company secretary) by 10:30	Friday, 9 December
Proxy Forms to be lodged with the Transfer Secretaries as soon as possible for administrative purposes only, (preferably by 10:30), but in any event before the proxy exercises any rights of the EOH Shareholder appointing the proxy at the General Meeting	Friday, 9 December
General Meeting to be held at 10:30	Tuesday, 13 December
Results of General Meeting released on SENS	Tuesday, 13 December
Results of General Meeting published in the South African press	Wednesday, 14 December

Notes:

1. The above dates and times are subject to amendment. Any such material amendment will be released on SENS and published in the South African press.
2. All times quoted in the Circular are local times in South Africa on a 24-hour basis, unless specified otherwise.
3. Shareholders are reminded that Shares can only be traded on the JSE in Dematerialised form. No orders to Dematerialise or rematerialise Shares will be processed from the Business Day following the Last Day to Trade up to and including the Voting Record Date, but such orders will again be processed from the first Business Day after the Voting Record Date.
4. The certificated register will be closed between the Last Day to Trade and the Voting Record Date.
5. If the General Meeting is adjourned or postponed, forms of proxy submitted for the General Meeting will remain valid in respect of any adjournment or postponement of the General Meeting unless the contrary is stated on such form of proxy.
6. Shareholders may still register online to participate in and/or vote electronically at the General Meeting after this date and time, provided; however, for those Shareholders to participate and/or vote electronically at the General Meeting, they must be verified and registered before the commencement of the General Meeting.

Special resolution number 1 – Increase in the number of authorised EOH Shares

“Resolved that, subject to the passing of special resolution number 2, and in terms of, inter alia, section 36(2)(a) read with section 16(1)(c) of the Companies Act, the existing authorised Share capital of the Company of 500 000 000 EOH Shares with no par value be and is hereby increased by the creation of a further 7 000 000 000 EOH Shares with no par value, such that, pursuant to such increase, the authorised Share capital of the Company shall comprise 7 500 000 000 EOH Shares with no par value, with effect from the date on which the notice of amendment to the Memorandum of Incorporation relating to such increase is filed with the CIPC.”

Voting requirement:

The percentage of voting rights required for the adoption of this special resolution number 1 is the support of at least 75% of the voting rights exercised on it.

Reason and effect:

The reason for special resolution number 1 is that the Company will not have sufficient authorised but unissued EOH Shares for purposes of the Rights Offer and hence the Company has proposed the increase in the number of authorised EOH Shares.

The effect of special resolution number 1 is to increase the authorised Share capital of the Company from 500 000 000 EOH Shares with no par value to 7 500 000 000 EOH Shares with no par value.

Special resolution number 2 – Authorisation for the amendment of the Memorandum of Incorporation

“Resolved that, subject to the passing of special resolutions number 1, and in terms of, inter alia, section 16(1)(c) read with section 16(5)(b) of the Companies Act:

- 1. the Memorandum of Incorporation be and is hereby amended, with effect from the date on which the notice of that amendment is filed with CIPC, by the deletion in its entirety of article 6.1.1 and the substitution thereof with the following new article 6.1.1: “7 500 000 000 (seven billion and 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 –”; and*
- 2. the Company secretary be and is hereby authorised, should she so elect, to file a consolidated revision of the Memorandum of Incorporation with the CIPC.”*

Voting requirement:

The percentage of voting rights required for the adoption of this special resolution number 2 is the support of at least 75% of the voting rights exercised on it.

Reason and effect:

The reason for this special resolution number 2 is to amend the Memorandum of Incorporation as required in terms of sections 16(1)(c) and 36(2) of the Companies Act in order to reflect the amended authorised Share capital pursuant to the passing of special resolution number 1.

The effect of this special resolution number 2 is to ensure that the Memorandum of Incorporation contains the correct detail in relation to the Company’s authorised Share capital.

Special resolution number 3 – Authorisation for the Board to issue 30% or more of the EOH Shares, and to issue EOH Shares to directors, prescribed officers and their related persons, for the purposes of implementing the Capital Raise

“Resolved that, subject to the passing of special resolutions number 1 and 2, and in terms of section 41 of the Companies Act (to the extent applicable), the Directors be and are hereby authorised to allot and issue:

- 1. such number of EOH Shares in the authorised but unissued Share capital of the Company as are required pursuant to and for the purposes of the Capital Raise, even if such number of EOH Shares have voting power equal to or in excess of 30% of the voting rights of all EOH Shares immediately prior to such issue; and*
- 2. EOH Shares in the authorised but unissued Share capital of the Company to any underwriter of the Rights Offer (whether or not any such underwriter is a related party to the Company (as defined for the purposes of the Listings Requirements)) and/or a person falling within the ambit of section 41(1) of the Companies Act, being a Director, future Director, prescribed officer or future prescribed officer of the Company or a person related or inter-related to the Company or related or inter-related to a Director or prescribed officer of the Company (or a nominee of any of the foregoing persons).”*

Voting requirement:

The percentage of voting rights required for the adoption of this special resolution number 3 is the support of at least 75% of the voting rights exercised on it.

Reason and effect:

The reason for this special resolution number 3 is to authorise the issue of EOH Shares which have voting rights equal to or in excess of 30% of the voting rights of all EOH Shares immediately prior to the issue and/or to a person falling within the ambit of section 41(1) of the Companies Act, being a Director, future Director, prescribed officer or future prescribed officer of the Company or a person related or inter-related to the Company or related or inter-related to a Director or prescribed officer of the Company (or a nominee of any of the foregoing persons), to the extent required for the purposes of implementation of the Capital Raise.

The effect of special resolution number 3 is to authorise the Board, in terms of section 41(3) of the Companies Act, to issue EOH Shares which have voting rights equal to or in excess of 30% of the voting rights of all EOH Shares immediately prior to the issue and/or to a person falling within the ambit of section 41(1) of the Companies Act, being a Director, future Director, prescribed officer or future prescribed officer of the Company or a person related or inter-related to the Company or related or inter-related to a Director or prescribed officer of the Company (or a nominee of any of the foregoing persons), to the extent required for the purposes of implementation of the Capital Raise.

Special resolution number 4 – Approval of the A Share Amendments

“Resolved that, subject to the passing of special resolutions number 1, 2 and 3 and ordinary resolution number 2 in accordance with section 5.51 of the Listings Requirements the Company be and is hereby authorised to:

- 1. amend the terms of the A Shares in order to: (i) extend the maturity date for purposes of the capitalisation issue with five years; and (ii) change the strike price from R90 to a price equal to the EOH Share price immediately after implementation of the Rights Offer increased by a 25% CAGR; and*
- 2. enter into such agreements (including any requisite amendments and/or novations of the transactions agreements entered into as part of the 2018 Empowerment Transaction) and to take all other actions necessary and sign all documents required to give effect to the proposed amendment of the A Share terms.”*

Voting requirement:

The percentage of voting rights required for the adoption of this special resolution number 4 is the support of at least 75% of the voting rights exercised on that special resolution (which will exclude Lebashe and its associates (as defined in the Listings Requirements)).

Reason and effect:

The reason for this special resolution number 4 is to obtain the approval of Shareholders in terms of the Listings Requirement to amend the terms of the A Shares which were previously approved by Shareholders for purposes of the specific issue of A Shares for the 2018 Empowerment Transaction.

The effect of this Special resolution number 4 is to ensure that the terms of the 2018 Empowerment Transaction are amended by the A Share Amendments.

Special resolution number 5 – Amendment of the Memorandum of Incorporation to effect the A Share Amendments

“Resolved that, subject to the passing of special resolutions number 1, 2, 3 and 4 and the passing by the holder of the A Shares of a special resolution approving same, article 39 of the Company’s Memorandum of Incorporation be and is hereby amended as set out in Annexure 4 to this Circular.”

Voting requirement:

The percentage of voting rights required for the adoption of this special resolution number 5 is the support of at least 75% of the voting rights exercised on the resolution.

Reason and effect:

The reason for this special resolution number 5 is to amend the Memorandum of Incorporation as required in terms of sections 16(1)(c) and 36(2) of the Companies Act.

The effect of this special resolution number 5 is to ensure that the Memorandum of Incorporation contains the correct detail in relation to the amendment of the terms of the A Shares.

Ordinary resolution number 1 – Placing EOH Shares under the control of the Directors for the specific purpose of the Rights Offer

“Resolved that, subject to the passing of special resolutions number 1, 2 and 3, the EOH Shares in the authorised but unissued Share capital of the Company be and are hereby placed under the control of the Board with specific authority to allot and issue such EOH Shares in the Share capital of the Company upon such terms and conditions as they may determine for the specific purpose of implementing the Rights Offer, subject to the provisions of the Companies Act, the Memorandum of Incorporation and the Listings Requirements.”

Voting requirement:

The percentage of voting rights in favour required for the adoption of this ordinary resolution number 1 is 50% plus one vote, of the voting rights exercised on it.

Reason and effect:

The reason for and effect of this ordinary resolution number 1 is to place the EOH Shares in the authorised but unissued Share capital of the Company under the control of the Board with specific authority to allot and issue such EOH Shares for the specific purpose of implementing the Rights Offer.

Ordinary resolution number 2 – Approval of the Specific Issue

“Resolved that, subject to the passing of special resolutions number 1, 2, 3, 4 and 5 and ordinary resolution number 1, the issue to one or more subsidiaries of the Lebashe Investment Group of such number of Ordinary Shares in the authorised share capital of the Company as is equal to R100,000,000 divided by the Subscription Price, at the Subscription Price per share equal to the Rights Offer Price, be and is hereby approved in terms of paragraph 5.51(g) of the Listings Requirements and the Company’s MOI.”

Voting requirement:

In terms of paragraph 5.51(g) of the Listings Requirements, ordinary resolution number 2 requires the approval of 75% majority of the votes cast in favour of such resolution by all Shareholders present or represented by proxy at the General Meeting, on which Lebashe Investment Group and its associates have not voted on or whose votes have not been counted.

Reason and effect:

The reason for ordinary resolution number 2 is that the proposed issuing of Ordinary Shares to Lebashe Investment Group requires the approval of Shareholders in terms of paragraph 5.51(g) of the Listings Requirements and the Company’s MOI. The effect of ordinary resolution number 2 is to grant the requisite approval in terms of paragraph 5.51(g) of the Listings Requirements and the Company’s MOI.

Ordinary resolution number 3 – General authorisation

“Resolved that any director of the Company or the Company secretary be and is hereby authorised on behalf of the Company, to take all actions necessary and sign all documents required to give effect to the abovementioned resolutions.”

Voting requirement:

The percentage of voting rights required for the adoption of this ordinary resolution number 3 is 50% plus one vote of the voting rights exercised on it.

Reason and effect:

The reason for this ordinary resolution number 3 is to authorise any Director or the Company secretary of the Company to take all actions necessary and sign all documents required to give effect to all of the resolutions set out in this Notice of General Meeting.

VOTING AND QUORUM

The quorum requirement for the General Meeting to begin or for a matter to be considered at the General Meeting is at least three Shareholders present in person or represented by proxy (and if the Shareholder is a body corporate, the representative of the body corporate), and entitled to vote at the General Meeting, and in addition:

- the General Meeting may not begin until (i) sufficient persons are present in person or represented by proxy to exercise, in aggregate, at least 25% of the voting rights that are entitled to be exercised in respect of at least one matter to be decided at the General Meeting; and (ii) at least three Shareholders are present; and
- a matter to be decided at the General Meeting may not begin to be considered unless (i) sufficient persons are present in person or represented by proxy to exercise, in aggregate, at least 25% of all of the voting rights that are entitled to be exercised in respect of that matter and (ii) at least three Shareholders are present at the time the matter is called on the agenda.

Every Shareholder present in person or represented by proxy and entitled to exercise voting rights at the General Meeting shall be entitled to vote on a show of hands, irrespective of the number of voting rights that Shareholder would otherwise be entitled to exercise. On a poll, any person who is present at the General Meeting, whether as a Shareholder or as proxy for a Shareholder, has the number of votes determined in accordance with the voting rights associated with the Shares held by that Shareholder.

GENERAL INSTRUCTIONS

Shareholders who are entitled to attend, speak and vote at the General Meeting are encouraged to do so.

ELECTRONIC PARTICIPATION

The Company has retained the services of Computershare to host the General Meeting on an interactive platform and to facilitate electronic participation and voting by Shareholders.

Shareholders who wish to electronically participate in and/or vote at the General Meeting are required to register online at www.meetnow.global/za by no later than 09:00 on Tuesday, 9 December 2022. Shareholders may still register online to participate in and/or vote electronically at the General Meeting after this date and time, provided; however, for those Shareholders to participate and/or vote electronically at the General Meeting, they must be verified and registered before the commencement of the General Meeting.

In terms of section 63(1) of the Companies Act, before any person may speak or vote at, or participate in, the General Meeting, that person must present reasonably satisfactory identification, and the person presiding at the General Meeting must be reasonably satisfied that the right of that person to speak and vote at, and participate in, the General Meeting, either as a Shareholder, or as a proxy for a Shareholder, has been reasonably verified. As part of the registration process you will be requested to upload proof of identification. Acceptable forms of identification include a valid green barcoded or smart card identification document issued by the South African Department of Home Affairs, a South African driver's licence or a valid passport. A Shareholder or its proxy must electronically provide the necessary proof of its identification in accordance with the relevant provisions of the Notice of General Meeting such as his/her/its full name, email address and contact number, before such person will be entitled to speak and vote at, and participate in, the General Meeting. If the Shareholder is not an individual, the necessary proof of identification of the representative (such as her/his valid green barcoded, or smart card identification document issued by the South African Department of Home Affairs, South African driver's licence or valid passport) must be accompanied by a copy of a resolution by the relevant entity which sets out that the representative is authorised to represent the relevant entity at the General Meeting.

Following successful registration, the Transfer Secretaries will provide the Shareholder or proxy of a Shareholder with a link and invitation code in order to connect electronically to the General Meeting. General Meeting participation will be through the Computershare website by following the steps set out at www.meetnow.global/za. While the Company will bear all costs for the hosting of the General Meeting by way of a remote interactive electronic platform, Shareholders will be liable for their own network charges in relation to electronic participation in and/or voting at the General Meeting. Any such charges will not be for the account of the JSE, the Company and/or Computershare. None of the JSE, the Company or Computershare can be held accountable in the case of loss of network connectivity or other network failure due to insufficient airtime, internet connectivity, internet bandwidth and/or power outages which prevents any such Shareholder from participating in and/or voting at the General Meeting.

PROXIES AND AUTHORITY FOR REPRESENTATIVES TO ACT

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

- Certificated Shareholders; or
- own-name Dematerialised Shareholders,

who cannot attend the General Meeting but wish to be represented thereat.

All other beneficial owners who have Dematerialised their Shares through a CSDP or Broker, without own-name registration, and who wish to attend the General Meeting, must instruct their CSDP or Broker to provide them with the necessary letter of representation, or they must provide the CSDP or Broker with their voting instructions in terms of the relevant custody agreement entered into between them and the CSDP or Broker. These Shareholders must not use a form of proxy.

Forms of proxy are requested to be delivered to the Transfer Secretaries at Rosebank Towers, 15 Biermann Avenue, Rosebank, 2196, or posted to Private Bag X9000, Saxonwold, 2132, or faxed to +27 11 688 5238, or emailed to proxy@computershare.co.za, so as to arrive no later than 10:30 on Friday, 9 December 2022. Alternatively, the form of proxy may be handed to the chairperson of the meeting or to the Transfer Secretaries at the meeting, at any time prior to its commencement, or prior to voting on any resolutions proposed at the meeting. Any Shareholder who completes and lodges a form of proxy will nevertheless be entitled to attend, speak and vote in person at the General Meeting should the Shareholder decide to do so.

A company that is a Shareholder, wishing to attend and participate at the General Meeting should ensure that a resolution authorising a representative to so attend and participate at the General Meeting on its behalf, is passed by its directors.

EOH does not accept any responsibility and will not be held liable for any failure on the part of the CSDP or Broker of a Dematerialised EOH Shareholder to notify such Shareholder of the General Meeting of or any business to be conducted thereat.

GENERAL NOTES

A Shareholder entitled to attend and vote at the General Meeting is entitled to appoint a person as a proxy or two or more persons as proxies in the alternative, but only one of such proxies may attend and vote instead of such Shareholder. A proxy need not also be a Shareholder. The delivery of an appointment of proxy shall not preclude a Shareholder from attending and voting at the General Meeting or at a resumption of the adjourned General Meeting, or recommencement of the postponed General Meeting.

To appoint a proxy if you are a Certificated Shareholder or an own-name Dematerialised Shareholder and are registered on the Register, to be valid the signed form of proxy must be sent to Computershare either by depositing it at Rosebank Towers, 15 Biermann Avenue, Rosebank, 2196, via email to proxy@computershare.co.za, or via post to Private Bag X9000, Saxonwold, 2132, to be received no later than 10:30 on Friday, 9 December 2022. Alternatively, the form of proxy may be handed to the chairperson of the meeting or to the Transfer Secretaries at the meeting, at any time prior to its commencement, or prior to voting on any resolutions proposed at the meeting.

A form of proxy is enclosed. Completion and return of the form of proxy will not prevent a Shareholder from attending and voting in person at the General Meeting or any adjournment thereof, if the Shareholder so wishes and is so entitled to attend.

Dematerialised Shareholders who have not elected own-name registration who wish to attend the General Meeting must instruct their CSDP or Broker to provide them with the necessary authority to attend. Dematerialised Shareholders who are unable to attend the General Meeting, but who wish to vote, must promptly provide their CSDP or Broker with their voting instructions in terms of the custody agreement entered into between that Shareholder and the CSDP or Broker.

Where there are joint registered holders of any Share, the vote of the senior holder who tenders a vote (whether in person or by proxy) will be counted to the exclusion of the votes of the other joint holders. For this purpose, seniority shall be determined by the order in which the names of the holders stand in the Register.

No Shareholder shall be entitled to vote in respect of any Shares unless he has been registered as their holder or has been validly appointed as a proxy. For the purposes of determining which persons are entitled to attend or vote at the General Meeting and how many votes such person may cast the Shareholder must be entered on the Register on Friday, 2 December 2022.

Any corporation which is a Shareholder can appoint one or more corporate representatives who may exercise on its behalf all of its powers as a Shareholder provided that they do not do so in relation to the same Shares.

By order of the board

EOH Holdings Limited

Monday, 14 November 2022

Registered office

1st Floor, Block E, Pinmill Farm, 164 Katherine Street, Sandton,

Gauteng 2148

PO Box 59, Bruma, 2026



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

Where appropriate and applicable, the terms defined in the Circular to which this form of proxy is attached bear the same meanings in this form of proxy.

THIS FORM OF PROXY IS ONLY FOR USE BY:

- Certificated Shareholders; and
- own-name Dematerialised Shareholders.

For completion by the aforesaid registered Shareholders who are unable to attend the General Meeting to be held at 10:30 on Tuesday, 13 December 2022 by way of electronic participation as contemplated in section 63(2)(a) of the Companies Act and provided for by the MOI.

If you are a Dematerialised Shareholder, other than with own-name registration, do not use this form. Dematerialised Shareholders, other than with own-name registration, should provide instructions to their appointed CSDP or Broker in the form as stipulated in the agreement entered into between the Shareholder and the CSDP or Broker.

I/We _____ (FULL NAMES IN BLOCK LETTERS PLEASE)

Email address _____

Telephone number _____

Cell phone number _____

of (address) _____

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

1. or failing him/her _____

2. of failing him/her _____

3. the chairperson of the General Meeting _____

as my/our proxy to attend and speak and to vote for me/us and on my/our behalf at the General Meeting of Shareholders and at the resumption of the adjourned General Meeting, and the recommencement of the postponed General Meeting, for the purpose of considering and, if deemed fit, passing, with or without modification, the resolutions to be proposed at the General Meeting, and to vote on the resolutions in respect of the Shares registered in my/our name(s).

Please indicate with an “X” in the appropriate spaces below how you wish your votes to be cast. Unless this is done the proxy will vote as he/she thinks fit.

	Resolution	For	Against	Abstain
1	Special resolution number 1 – Increase in the number of authorised EOH Shares			
2	Special resolution number 2 – Authorisation for the amendment of the Memorandum of Incorporation			
3	Special resolution number 3 – Authorisation in terms of section 41 to issue EOH Shares for the purposes of implementing the Rights Offer			
4	Special resolution number 4 – Approval of the A Share Amendments			
5	Special resolution number 5 – Amendment of the Memorandum of Incorporation to effect the A Share Amendments			
6	Ordinary resolution number 1 – Placing EOH Shares under the control of the Directors for the specific purpose of the Rights Offer			
7	Ordinary resolution number 2 – Approval of the Specific Issue			
8	Ordinary resolution number 3 – General authorisation			

Unless otherwise instructed my proxy may vote or abstain from voting as he/she thinks fit.

Signed this _____ day of _____ 2022

Signature _____

Assisted by me (where applicable) _____

(State capacity and full name) _____

A Shareholder entitled to attend and vote at the General Meeting is entitled to appoint a proxy to attend, vote and speak in his/her stead. A proxy need not be a Shareholder of EOH. Each Shareholder is entitled to appoint one or more proxies to attend, speak and, on a poll, vote in place of that Shareholder at the General Meeting.

Forms of proxy are requested to be delivered to the Transfer Secretaries at Rosebank Towers, 15 Biermann Avenue, Rosebank, 2196, or posted to Private Bag X9000, Saxonwold, 2132, or faxed to +27 11 688 5238, or emailed to proxy@computershare.co.za, so as to arrive no later than 10:30 on Friday, 9 December 2022. Any Shareholder who completes and lodges a form of proxy will nevertheless be entitled to attend, speak and vote in person at the General Meeting should the Shareholder decide to do so.

Please read notes on the reverse side hereof

NOTES TO THE FORM OF PROXY:

1. Only Own-Name Dematerialised Shareholders and Certificated Shareholders may complete a form of proxy. A proxy need not be an EOH Shareholder.
2. Certificated Shareholders wishing to attend the General Meeting have to ensure beforehand with the Transfer Secretaries that their Shares are registered in their own name.
3. Beneficial Shareholders whose Shares are not registered in their own-name, but in the name of another, for example, a nominee, may not complete a proxy form, unless a form of proxy is issued to them by a registered Shareholder and they should contact the registered Shareholder for assistance in issuing instructions on voting their Shares, or obtaining a proxy to attend, speak and, on a poll, vote at the General Meeting.
4. Dematerialised Shareholders who have not elected own-name registration in the Register through a CSDP and who wish to attend the General Meeting, must instruct the CSDP or Broker to provide them with the necessary Letter of Representation to attend.
5. Dematerialised Shareholders who have not elected own-name registration in the Register through a CSDP and who are unable to attend, but wish to vote at the General Meeting, must timeously provide their CSDP or Broker with their voting instructions in terms of the custody agreement entered into between that Shareholder and the CSDP or Broker.
6. A Shareholder may insert the name of a proxy or the names of two or more alternative proxies of the Shareholder's choice in the space, with or without deleting "the chairperson of the General Meeting of Shareholders". 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.
7. The completion and lodging of this form of proxy will not preclude the relevant Shareholder from attending the General Meeting and speaking and voting in person thereat to the exclusion of any proxy appointed, should such Shareholder wish to do so. In addition to the foregoing, a Shareholder may revoke the proxy appointment by:
 - 7.1. cancelling it in writing, or making a later inconsistent appointment of a proxy; and
 - 7.2. delivering a copy of the revocation instrument to the proxy, and to EOH.
8. The revocation of a proxy appointment constitutes a complete and final cancellation of the proxy's authority to act on behalf of the Shareholder as of the later of the date:
 - 8.1. stated in the revocation instrument, if any; or
 - 8.2. upon which the revocation instrument is delivered to the proxy and EOH as required in section 58(4)(c)(ii) of the Companies Act.
9. Should the instrument appointing a proxy or proxies have been delivered to the Transfer Secretaries, as long as that appointment remains in effect, any notice that is required by the Companies Act or the MOI to be delivered by the Company to the Shareholder must be delivered to:
 - 9.1. the Shareholder; or
 - 9.2. the proxy or proxies if the Shareholder has in writing directed EOH to do so and has paid any reasonable fee charged by EOH for doing so.
10. A proxy is entitled to exercise, or abstain from exercising, any voting right of the relevant Shareholder without direction, except to the extent that the existing MOI or the instrument appointing the proxy provide otherwise.
11. If EOH issues an invitation to Shareholders to appoint one or more persons named by EOH as a proxy, or supplies a form of instrument appointing a proxy:
 - 11.1. such invitation must be sent to every Shareholder who is entitled to receive notice of the meeting at which the proxy is intended to be exercised;
 - 11.2. EOH must not require that the proxy appointment be made irrevocable; and
 - 11.3. the proxy appointment remains valid only until the end of the relevant meeting at which it was intended to be used, unless revoked as contemplated in section 58(5) of the Companies Act.
12. Any alteration or correction made to this form of proxy must be initialled by the signatory/ies. A deletion of any printed matter and the completion of any blank space(s) need not be signed or initialled.
13. Documentary evidence establishing the authority of a person signing this form of proxy in a representative capacity must be attached to this form unless previously recorded by the Transfer Secretaries or waived by the chairperson of the General Meeting.
14. A minor must be assisted by his/her parent/guardian unless the relevant documents establishing his/her legal capacity are produced or have been registered by the Transfer Secretaries.
15. A company holding Shares in EOH that wishes to attend and participate at the General Meeting should ensure that a resolution authorising a representative to act is passed by its directors. Resolutions authorising representatives in terms of section 57(5) of the Companies Act must be lodged with the Transfer Secretaries prior to the General Meeting.
16. Where there are joint holders of Shares any one of such persons may vote at any meeting in respect of such Shares as if he were solely entitled thereto; but if more than one of such joint holders wishes to be present or represented at the General Meeting, that one of the said persons whose name appears first in the Register of such Shares or his proxy, as the case may be, shall alone be entitled to vote in respect thereof.
17. The chairperson of the General Meeting may reject or accept any form of proxy which is completed and/or received other than in accordance with the instructions, provided that he shall not accept a form of proxy unless he is satisfied as to the matter in which a Shareholder wishes to vote.
18. A proxy may not delegate his/her authority to act on behalf of the Shareholder, to another person.
19. A Shareholder's instruction to the proxy must be indicated by the insertion of the relevant number of Shares to be voted on behalf of that Shareholder in the appropriate space provided. Failure to comply with the above will be deemed to authorise the chairperson of the General Meeting, if the chairperson is the authorised proxy, to vote in favour of the resolutions at the General Meeting or other proxy to vote or to abstain from voting at the General Meeting as he/she deems fit, in respect of the Shares concerned. A Shareholder or the proxy is not obliged to use all of the votes exercisable by the Shareholder or the proxy, but the total of votes cast in respect whereof abstention is recorded may not exceed the total of the votes exercisable by the Shareholder or the proxy.
20. Forms of proxy are requested to be delivered to the Transfer Secretaries at Rosebank Towers, 15 Biermann Avenue, Rosebank, 2196, or posted to Private Bag X9000, Saxonwold, 2132, or faxed to +27 11 688 5238, or emailed to proxy@computershare.co.za, so as to arrive no later than 10:30 on Friday, 9 December 2022. Alternatively, the form of proxy may be handed to the chairperson of the meeting or to the Transfer Secretaries at the meeting, at any time prior to its commencement, or prior to voting on any resolutions proposed at the meeting. Any Shareholder who completes and lodges a form of proxy will nevertheless be entitled to attend, speak and vote in person at the General Meeting should the Shareholder decide to do so.
21. This form of proxy may be used at a resumption of the adjourned General Meeting, or recommencement of the postponed General Meeting, including any postponement due to a lack of quorum, unless withdrawn by the Shareholder.
22. The foregoing notes include a summary of the relevant provisions of section 58 of the Companies Act, as required in terms of that section.

