

AFRICAN AND OVERSEAS ENTERPRISES LIMITED

(Incorporated in the Republic of South Africa)

(Registration number 1947/027461/06)

JSE share code: AOO ISIN: ZAE000000485

JSE share code: AON ISIN: ZAE000009718

JSE share code: AOVP ISIN: ZAE000000493

("AOE" or the "Company")



SMALL RELATED PARTY TRANSACTION

1. Introduction and rationale

- 1.1. Shareholders are advised that Rex Trueform Group Limited ("**Rex Trueform**"), a 55.92% subsidiary of AOE, (together with certain subsidiaries of Rex Trueform being, Queenspark Proprietary Limited, Queenspark Distribution Centre Proprietary Limited, Ombrecorp Trading (RF) Proprietary Limited and Telemedia Proprietary Limited) and Geomer Managerial Services Proprietary Limited ("**GMS**") have concluded a service level agreement in terms of which GMS will provide certain transactional and non-transactional advisory services to Rex Trueform and its subsidiaries (the "**Service Agreement**").
- 1.2. GMS is a wholly-owned subsidiary of Geomer Investments Proprietary Limited ("**Geomer**") which is a South African based privately held investment holding company which has a diverse investment portfolio. Geomer is an experienced and established investment holding entity in both the private equity and listed spaces.
- 1.3. The previous agreement between the aforementioned parties as announced on SENS on 29 July 2022 expired on 30 June 2024 and a new agreement has since been agreed upon.

2. Terms of the Service Agreement

- 2.1. In terms of the Service Agreement, GMS will provide transactional services such as merger and acquisition advisory services, corporate finance advisory services, due diligence services and restructuring advice for which GMS will charge a success fee, payable in cash, based on a sliding scale as a percentage of the aggregate consideration payable or received by Rex Trueform or any of its subsidiaries with regard to a transaction or a series of transactions.
- 2.2. GMS will, in addition, provide certain non-transactional services such as strategic advisory services, legal advisory services, capital management advisory services and corporate social investment advisory services for which GMS will charge an hourly fee, payable in cash.
- 2.3. The Service Agreement commenced on 1 July 2024 and shall continue until the earlier of either 30 June 2026 or the date on which the total fees paid to GMS in terms of the Service Agreement reaches R12 million, at which stage the Service Agreement will terminate automatically.
- 2.4. The Service Agreement contains warranties that are normal for a transaction of this nature and is not subject to the fulfilment of any conditions precedent.

3. JSE categorisation

- 3.1. In terms of section 10 of the JSE Listings Requirements, the conclusion of the Service Agreement constitutes a small related party transaction for AOE. GMS is a subsidiary of Geomer, which in turn is a material shareholder of both AOE and Rex Trueform. In addition, the Chief Executive Officer of AOE and Rex Trueform, Marcel Golding, is the director of and a shareholder in Geomer. GMS is therefore considered to be a related party to AOE in terms of paragraph 10.1(b) of the JSE Listings Requirements.
- 3.2. A small related party transaction is not subject to shareholder approval, provided an independent expert has confirmed that the terms of the Service Agreement are fair as far as shareholders are concerned. The board of Rex Trueform has appointed Valeo Capital Proprietary Limited ("**Valeo**") to provide the board with a

fairness opinion. Valeo has concluded that the terms of the Service Agreement are fair insofar as the shareholders of Rex Trueform and AOE are concerned and a copy of its fairness opinion in this regard has been approved by the JSE.

- 3.3. As required in terms of paragraph 10.7(c) of the JSE Listings Requirements, the fairness opinion can be inspected at the registered office of AOE, 263 Victoria Road, Salt River, Cape Town, and/or through a secure electronic manner at the election of the person requesting the inspection for a period of 28 days from the date of this announcement. Shareholders who wish to view the fairness opinion should send their request to the Company's chief financial officer at legal@retrueform.com, who will facilitate access to the same.

31 July 2024

Sponsor

The logo for Java Capital, featuring the word "JAVA" in a bold, sans-serif font with a blue swoosh underline, followed by the word "CAPITAL" in a lighter, all-caps, sans-serif font.