

REX TRUEFORM GROUP LIMITED

(Incorporated in the Republic of South Africa)

(Registration number 1937/009839/06)

JSE share code: RTO ISIN: ZAE000250387

JSE share code: RTN ISIN: ZAE000250395

JSE share code: RTOP ISIN: ZAE000250403

("Rex Trueform" or the "Company")



REX TRUEFORM
GROUP LIMITED

ACQUISITION OF A FURTHER STAKE IN TELEMEDIA PROPRIETARY LIMITED

1. Introduction and rationale

- 1.1. The board of directors of Rex Trueform is pleased to announce the conclusion of seven separate sale agreements, in terms of which Rex Trueform will increase its stake in Telemedia Proprietary Limited ("Telemedia") to 88.71% (the "Transaction") by acquiring a further 25% interest from the minority shareholders of Telemedia (excluding African and Overseas Enterprises Limited ("AOE")), being Stephen Mark Bretherick, Ryan David Bretherick, Andrew Victor Louis, Divesh Debidayal Maharaj, Humbulani Beverly Silwalivhathu, Quentin Grant Barkhuizen and John-Paul Meeser (the "vendors").
- 1.2. Founded in 1981, Telemedia is a broad-based media broadcast facility manufacturer and supplier. Telemedia's services include the installation of satellite transmission as well as radio and television signal distribution. In addition, Telemedia is a supplier of microwave and satellite news gathering services including broadcasting, studio recording and ancillary services.
- 1.3. Rex Trueform together with its controlling shareholder, AOE, initially acquired an interest in Telemedia in November 2020 through the acquisition of a 63.71% and 11.29% interest respectively. This initial investment provided the Company with an opportunity to diversify its investment portfolio to include a media and broadcasting segment. Rex Trueform is acquiring the remaining 25% of Telemedia due to its strong performance since the initial investment in November 2020. The Transaction aims to fully integrate Telemedia into Rex Trueform's portfolio, and so leverage its success to drive expected future growth in the media and broadcasting sector.

2. Salient terms of the Transaction

- 2.1. Payment of the purchase consideration to the respective vendor will take place on the effective date being the first business day following the date on which the last of the conditions precedent to the respective sale agreement is fulfilled or waived (as the case may be).
- 2.2. The aggregate purchase consideration payable to the vendors is an amount of R14 145 572 in cash.
- 2.3. Each sale agreement is subject to the fulfilment or waiver of the condition that the remaining vendors of Telemedia waive any pre-emptive rights that they might have to their respective interest in Telemedia.
- 2.4. The sale agreements contain warranties that are normal for a transaction of this nature.

3. Financial information

The net asset value and profits attributable to 100% of Telemedia are R61.4 million and R11.4 million respectively. This information has been extracted from the unpublished unaudited management accounts of Telemedia for the 11 months ended 31 May 2024 which has been prepared in terms International Financial Reporting Standards. The Company confirms that it is satisfied with the quality of such management accounts.

4. JSE categorisation

Pursuant to the aggregation principles of the JSE Listings Requirements, the Transaction is classified as a category 2 transaction in terms of the JSE Listings Requirements and is, accordingly, not subject to approval by shareholders.

10 July 2024

Sponsor

JAVACAPITAL