VOLUNTARY ANNOUNCEMENT: ACQUISITION OF EQSTRA FLEET MANAGEMENT AND LOGISTICS (“EQSTRA”) BY BIDVEST

Introduction
Bidvest is pleased to announce that it has entered into an agreement to acquire 100% of Eqstra Fleet Management and Logistics (“Eqstra”) from enX (“the Acquisition”).

The Acquisition is for an enterprise value consideration of ZAR3.1 billion, including an equity value of ZAR 1.3 billion, calculated as at 31 August 2018. The Acquisition is subject to approval from, inter alia, enX shareholders, the Prudential Authority in terms of section 52 of the Banks Act No. 94 of 1990 and the Competition Commission.

Overview of Eqstra
Eqstra, is a comprehensive fleet leasing and management solutions business, mainly to the corporate sector. As at 31 August 2018, the lock-box date, it had 12 300 vehicles under lease and 120 000 fleet products under management. Leasing assets totalled R2.6 billion and annual Profit after Tax of ZAR 143.9 million.

Rationale for the Acquisition
The Acquisition of Eqstra is in line with Bidvest’s stated strategic intent to focus Bidvest Bank on its fleet management niche. Bidvest is uniquely positioned to offer a cradle-to-grave fleet solution through Bidvest Bank and the Automotive division.

The Acquisition will create funding, scale and operational efficiencies and result in a more balanced fleet exposure.

Salient terms of the Acquisition
The purchase price will be settled by Bidvest Bank. Existing Eqstra debt will be refinanced by the Banks’ available capital.

enX majority shareholders have given irrevocable undertakings totalling 40% in favour of the transaction.

The effective date of the transaction is expected to be towards the end of 2019, assuming the necessary approvals are secured on a timely basis.

15 July 2019
Financial advisor and transaction sponsor: Standard Bank Limited
Legal advisor: Werksmans
Corporate sponsor: Investec Bank Limited