

AFRICAN PHOENIX INVESTMENTS LIMITED

(Incorporated in the Republic of South Africa)

(Registration number 1946/021193/06)

("African Phoenix" or "the Company")

POSTING OF SCHEME CIRCULAR AND SALIENT DATES AND TIMES IN RESPECT OF THE SCHEME

POSTING OF SCHEME CIRCULAR AND NOTICE OF SCHEME MEETING

Shareholders are referred to the firm intention announcement released by African Phoenix on 11 May 2023 wherein shareholders were advised that African Phoenix had resolved to propose a scheme of arrangement (the "**Scheme**") between African Phoenix and African Phoenix shareholders in terms of section 114(1) of the Companies Act, 71 of 2008 (the "**Companies Act**") to effect (i) a 10 000 000 to 1 share consolidation; (ii) an offer to shareholders holding less than an integer of 10 000 000 shares (the "**Share Consolidation Minimum Threshold**") to subscribe for additional shares at a price of 90 cents per African Phoenix share (being African Phoenix's net asset value per share at 30 June 2022); (iii) a cash repurchase of shares below the Share Consolidation Minimum Threshold at a price of 95 cents per share (being a 5.6% premium to the African Phoenix net asset value per share at 30 June 2022; and (iv) the conversion of African Phoenix to a private company.

African Phoenix has on Tuesday, 4 July 2023, distributed a circular to its shareholders relating to the Scheme (the "**Scheme Circular**"). The Scheme Circular incorporates a notice of meeting of African Phoenix shareholders ("**Scheme Meeting**") for the purposes of approving the resolutions required to implement the Scheme.

The Scheme Meeting will be held at 10:00 on Thursday, 3 August 2023 at the registered office of African Phoenix (9th floor, Katherine Towers, 1 Park Lane, Wierda Valley, Sandton, 2196), as well as virtually via a remote interactive electronic platform, Microsoft Teams, 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 Scheme. Terms defined in the Scheme Circular shall, where used in this announcement, bear the same meaning as ascribed to them in the Scheme Circular.

Copies of the Scheme Circular are available on the Company's website at www.phoenixinvestments.co.za and may be requested from the company secretary at cosec@phoenixinvestments.co.za.

The Scheme will be conditional on, *inter alia*, the implementation of a mandatory offer to be made by Zarclear Holdings Limited ("**Zarclear**") and parties acting in concert with Zarclear to African Phoenix shareholders in terms of section 123 of the Companies Act and the Takeover Regulations promulgated thereunder (the "**Mandatory Offer**"). The Scheme will be implemented shortly after the closing of the Mandatory Offer. A circular relating to the Mandatory Offer was distributed to African Phoenix shareholders on Tuesday, 4 July 2023 and is available on African Phoenix's website at www.phoenixinvestments.co.za.

OPINIONS AND RECOMMENDATIONS OF THE INDEPENDENT BOARD

The independent board of African Phoenix, comprising Graeme Tarr, Ayanda Vabaza-Mvandaba and Thomas Bemelman (the "**Independent Board**") appointed Nodus Capital TS Proprietary Limited ("**Nodus**") to provide the Independent Board with its opinion as to whether the terms of the Scheme are fair and reasonable to African Phoenix shareholders, in accordance with the requirements of Chapter 5 of the Companies Regulations, 2011.

Nodus has delivered to the Independent Board its opinion that, as at the date of issue of its opinion, the Scheme is fair and reasonable to African Phoenix shareholders. The Independent Board, having considered the terms of the Scheme and, *inter alia*, the opinion of Nodus, is of the view that the Scheme is fair and reasonable to African Phoenix shareholders.

The Independent Board also considered the Mandatory Offer and offer consideration in relation to the Scheme. In light of the Scheme, the view of the Independent Board is that shareholders should not accept the Mandatory Offer and should instead vote in favour of the Scheme.

Shareholders are referred to the Scheme Circular and the Mandatory Offer circular for further details of the of the opinions and the views of the Independent Board on the Scheme and Mandatory Offer.

SALIENT DATES AND TIMES

The salient dates and times relating to the Scheme and its implementation are set out below:

	2023
Record date to determine which African Phoenix shareholders are entitled to receive the Scheme Circular	Friday, 23 June
Scheme Circular together with the accompanying ancillary documents distributed to African Phoenix shareholders on	Tuesday, 4 July
Announcement relating to the issue of the Scheme Circular (together with the notice of the Scheme Meeting and accompanying ancillary documents) published in the press on	Wednesday, 5 July
Record date to be eligible to vote at the Scheme Meeting, being the voting record date, by the close of trade on	Friday, 28 July
Last date and time to lodge forms of proxy in respect of the Scheme Meeting with the transfer secretaries by 10:00 on (alternatively, the form of proxy may be provided to the chairperson of the Scheme Meeting at any time prior to the commencement of the Scheme Meeting or prior to voting on any resolution to be proposed at the Scheme Meeting)	Tuesday, 1 August
Last date and time for African Phoenix shareholders to give notice of their objections to the special resolution approving the Scheme in terms of section 164(3) of the Companies Act by no later than 10:00 on	Thursday, 3 August
Scheme Meeting held at 10:00 on	Thursday, 3 August
Results of the Scheme Meeting released on African Phoenix's website on	Thursday, 3 August
Results of the Scheme Meeting published in the press on	Friday, 4 August
Date from which shareholders may participate in the top-up issue	Friday, 4 August
Last date for shareholders who voted against the Scheme to require African Phoenix to seek court approval for the Scheme in terms of section 115(3)(a) of the Companies Act, if at least 15% of the total votes of shareholders at the Scheme Meeting were exercised against the Scheme	Friday, 11 August
Last date on which African Phoenix shareholders can make application to the court in terms of section 115(3)(b) of the Companies Act on	Friday, 18 August
Last date for African Phoenix to give notice of adoption of the special resolution approving the Scheme to African Phoenix shareholders who objected to the special resolution in terms of section 164(3) of the Companies Act on	Friday, 18 August
<i>If no African Phoenix shareholders exercise their rights in terms of section 115(3)(a) or section 115(3)(b) of the Companies Act:</i>	
Expected date all Scheme conditions are fulfilled	Tuesday, 22 August
Request for a TRP compliance certificate in terms of section 119(4)(b) of the Companies Act and Regulation 102(13)	Tuesday, 22 August

Expected top-up issue record date	Tuesday, 22 August
Last day on which top-up participants must lodge their form of subscription by 12:00	Tuesday, 22 August
Expected date for receipt of TRP compliance certificate	Thursday, 24 August
Last day on which top-up participants must deposit the subscription amount into the Company's bank account by 12:00	Tuesday, 29 August
New share certificates to be issued to top-up participants and African Phoenix share register to be updated in respect of the top-up issue by	Wednesday, 30 August
Expected odd-lot repurchase record date, being the date on which odd-lot repurchase participants must be recorded in the register to receive the odd-lot repurchase consideration by close of trade on	Wednesday, 30 August
Expected operative date of the Scheme on	Thursday, 31 August
Expected implementation date, being the date on which the odd-lot repurchase consideration will be transferred to odd-lot shareholders (provided their form of surrender and transfer and documents of title are received on or before 12:00 on the odd-lot repurchase record date)	Friday, 1 September

Notes:

1. All dates and times given above are local times in South Africa and may be changed by African Phoenix (subject to the approval of the TRP, if required).
2. A form of proxy not lodged with the transfer secretaries may be handed to the chairperson of the Scheme Meeting at any time prior to the commencement of the Scheme Meeting or prior to voting on any resolution to be proposed at the Scheme Meeting.
3. If the Scheme Meeting is adjourned or postponed, a form of proxy submitted for the initial Scheme Meeting will remain valid in respect of any adjournment or postponement of the Scheme Meeting, unless it is withdrawn.
4. If the Scheme Meeting is adjourned or postponed then forms of proxy that have not yet been submitted should be lodged with the transfer secretaries by no later than two business days before the adjourned or postponed Scheme Meeting but may nonetheless be handed to the chairperson of the adjourned or postponed Scheme Meeting at any time prior to the commencement of the adjourned or postponed Scheme Meeting or prior to voting on any resolution to be proposed at the adjourned or postponed Scheme Meeting.
5. If the Scheme is approved by such number of African Phoenix shareholders at the Scheme Meeting so that an African Phoenix shareholder may require African Phoenix to obtain court approval of the Scheme as contemplated in section 115(3)(a) of the Companies Act, and if an African Phoenix shareholder in fact delivers such a request, the dates and times set out above will require amendment. African Phoenix shareholders will be notified separately of the applicable dates and times under this process.
6. If any African Phoenix shareholder who votes against the Scheme exercises its rights in terms of section 115(3)(b) of the Companies Act and applies to court for a review of the Scheme, the dates and times set out above will require amendment. African Phoenix shareholders will be notified separately of the applicable dates and times under this process.

INDEPENDENT BOARD AND AFRICAN PHOENIX BOARD RESPONSIBILITY STATEMENT

The Independent Board and African Phoenix board collectively and individually accept responsibility for the information contained in this announcement and certify that, to the best of their knowledge and belief, the information contained in this announcement relating to African Phoenix is true and this announcement does not omit anything that is likely to affect the import of such information.

4 July 2023

Corporate advisor



Legal advisor

