

## THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

The definitions and interpretations commencing on page 8 of this document apply, *mutatis mutandis*, throughout this document including this cover page, **except where the context indicates a contrary intention.**

### Action required:

- This Circular is issued in compliance with the Takeover Regulations in terms of the Companies Act and the Listings Requirements of the JSE Limited, for the purpose of providing information to the public with regard to the Company.
- This Circular is important and should be read in its entirety, with particular attention to the section entitled "Action required by Shareholders", which commences on page 2.
- If you are in any doubt as to what action you should take, please consult your Broker, CSDP, banker, attorney, or other professional adviser immediately.
- If you have disposed of all your Shares, this Circular should be handed to the purchaser of such Shares or to the Broker, CSDP, banker or other agent through whom the disposal was effected.
- Jasco and the Offeror do not accept responsibility, and will not be held liable, for any action of, or omission by, any Broker or CSDP including, without limitation, any failure on the part of the Broker or CSDP of any beneficial owner of Shares to notify such beneficial owner of the details set out in this Circular.



### JASCO ELECTRONICS HOLDINGS LIMITED

(Incorporated in the Republic of South Africa)  
(Registration number: 1987/003293/06)  
Share code: JSC ISIN: ZAE000003794  
("Jasco" or "the Company")

### COMMUNITY HOLDINGS No 1 PROPRIETARY LIMITED

(Incorporated in the Republic of South Africa)  
(Registration number: 1998/007247/07)  
("CIH No 1" or the "Offeror")

## COMBINED CIRCULAR TO JASCO SHAREHOLDERS

### regarding:

- a conditional Offer by the Offeror to Jasco Shareholders in terms of section 117(1)(c)(v) of the Companies Act and paragraphs 1.15(c) of the Listings Requirements, to acquire all of the Offer Shares for a cash consideration of 16 cents per Offer Share; and
- the Delisting of the Ordinary Shares from the JSE pursuant to the Delisting Resolution being approved and the Offer being implemented,

### and incorporating:

- a report prepared by the Independent Expert in terms of section 114(3) of the Companies Act and the Listings Requirements;
- a notice convening a general shareholders' meeting;
- a form of proxy (*blue*) for use in respect of the General Meeting (for use by Certificated and own-name Dematerialised Shareholders with own-name registration only); and
- a Form of Surrender and Transfer (*green*) in respect of the Offer for use by Certificated Shareholders only.

The Directors of Jasco whose names appear in the "Corporate Information and Advisors" section of this Circular, collectively and individually accept full responsibility for the accuracy of the information given in this Circular and certify that, to the best of their knowledge and belief, there are no facts the omission of which would make any statement in this Circular false or misleading and that they have made all reasonable enquiries to ascertain such facts and that this Circular contains all information required in law and by the JSE Listings Requirements.

### Corporate Advisor and Transaction Sponsor



### Independent Expert



Date of issue: **Thursday, 23 March 2023**

This Circular is available in English only. Copies of this Circular may be obtained from the registered offices of Jasco and the Corporate Adviser and Transaction Sponsor whose addresses are set out in the "Corporate information and advisors" section of this Circular and will be available in electronic form from Thursday, 23 March 2023 to Friday, 19 May 2023 as well as from the Company's website ([www.jasco.co.za](http://www.jasco.co.za)). A copy of this Circular, together with the form of proxy and other requisite documents referred to in section 99(4)(b) of the Companies Act, were approved by the JSE. This Circular is not an invitation to the public to subscribe for shares but is issued in compliance with the Companies Act, Takeover Regulations and the JSE Listings Requirements for the purpose of providing information to the public regarding the Company and the Offer and the Delisting.

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## CORPORATE INFORMATION AND ADVISORS

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### **Jasco**

#### **Registered office of Jasco**

Corner Alexandra Avenue and 2<sup>nd</sup> Street  
Midrand, 1685  
(PO Box 860, Wendywood, 2144)

#### **Date and place of incorporation**

20 July 1987– Pretoria, South Africa

#### **Transfer Secretaries**

JSE Investor Services Proprietary Limited  
(Registration number 2000/007239/07)  
2 Gwen Lane  
Sandown  
Sandton, 2196  
(PO Box 4844, Johannesburg, 2000)

#### **Corporate Advisor and Transaction Sponsor**

Grindrod Bank Limited  
(Registration number 1994/007994/06)  
4<sup>th</sup> Floor, Grindrod Tower  
8A Protea Place  
Sandton, 2146  
(PO Box 78011, Sandton, 2146)

#### **Company Secretary**

MCP Managerial Services  
(represented by Joel Naidoo)  
173 Oxford Road  
Rosebank, 2196

#### **Auditors to Jasco**

Mazars  
Practice Number 900222  
Mazars House  
54 Glenhove Road  
Melrose Estate  
Johannesburg, 2195  
(PO Box 6697, Johannesburg, 2000)

#### **Independent Expert**

BDO Corporate Finance Proprietary Limited  
(Registration number 1983/002903/07)  
Wanderers Office Park  
52 Corlett Drive, Illovo  
Johannesburg, 2196  
(Private Bag X60500, Houghton, 2041, South Africa)

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### **CIH**

#### **Registered office of Offeror**

180 Garsfontein Road  
Ashlea Gardens Office Park, Building 3  
Pretoria, 0081, South Africa  
(Private Bag X2001, Menlyn, 0063]

#### **Directors of Jasco:**

##### **Executive:**

WA Prinsloo (Chief Executive Officer)  
LA Prigge (Chief Financial Officer)

# Independent

##### **Non-executive**

Dr ATM Mokgokong (Chairperson)  
MJ Madungandaba (Deputy Chairperson)  
PF Radebe (Lead Independent)#  
DH du Plessis#  
MSC Bawa#  
T Zondi#  
Dr ND Munisi  
AMF Da Silva (Alternate to MJ Madungandaba)

#### **Directors of CIH and CIH No 1**

##### **Executive:**

Dr ATM Mokgokong (Group Executive Chairperson)  
MJ Madungandaba (Group Chief Executive Officer)

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## ACTION REQUIRED BY SHAREHOLDERS

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The "Definitions and Interpretations" commencing on page 8 of this Circular apply, *mutatis mutandis*, to the following section on "Action required by Shareholders".

Please take careful note of the following provisions regarding the action required by Shareholders:

This Circular contains important information regarding the Offer and Delisting and matters relating thereto.

Shareholders should not construe anything in this Circular as legal, business or tax advice. Shareholders who are in any doubt as to what action to take should consult their CSDP, broker, banker accountant or other professional adviser immediately.

1. If you are in any doubt as to the action you should take, please consult your broker, CSDP, banker, accountant, or other professional adviser immediately.
2. If you have disposed of all of your Shares, please forward this Circular to the purchaser of such Shares or the broker, CSDP, banker or other agent through whom such disposal was effected.
3. If you wish to accept the Offer, you should follow the actions detailed below.
4. **If you wish to reject the Offer, you do not need to take further action.**
5. This Circular contains information relating to the Offer and Delisting, you should carefully read through this Circular and decide how you wish to vote on the Delisting Resolution to be proposed at the General Meeting.
6. **There is no Shareholder approval required for the Offer.**

### I. ACTION REQUIRED IN RESPECT OF THE OFFER

**Shareholders who wish to reject the Offer need not take any action, but should be aware that if you do not accept the Offer you will remain a Jasco Shareholder. Should the Delisting Resolution be approved at the General Meeting and the Offer become unconditional, you will be a holder of unlisted securities.**

#### A Dematerialised Shareholders

If you are a Dematerialised Shareholder, you may be contacted by your CSDP or Broker in the manner stipulated in your Custody Agreement and subject to the cut-off time in order to ascertain whether or not you wish to accept the Offer. If you wish to accept the Offer, you must notify your CSDP or Broker of your acceptance of the Offer in the time and manner stipulated in your Custody Agreement.

If you are a Dematerialised Shareholder and wish to accept the Offer but have not been contacted by your CSDP or Broker, it would be advisable for you to contact and furnish your CSDP or Broker with instructions in regard to the acceptance of the Offer. These instructions must be provided in the manner and by the cut-off date and time stipulated in your Custody Agreement, and must be communicated by your CSDP or Broker to the Transfer Secretaries by no later than 12:00 on the Offer Closing Date.

You must **NOT** complete the attached Form of Surrender and Transfer (*green*).

If you notify your CSDP or Broker of your desire to accept the Offer, you will NOT be able to rematerialise and/or trade your Shares from the date on which you notify your CSDP or Broker of your acceptance of the Offer. Dematerialised Shareholders will, however, be entitled to sell such Offer Shares Tendered to the Offeror in terms of the Offer and to receive the Offer Consideration in respect of such Offer Shares Tendered.

#### B Certificated Shareholders

If you are a Certificated Shareholder and wish to accept the Offer, you must complete the Form of Surrender and Transfer (*green*) attached to this Circular in accordance with its instructions, and forward it, together with your Documents of Title, to the Transfer Secretaries, JSE Investor Services Proprietary Limited 2 Gwen Lane, Sandown, Sandton, 2196 (for hand deliveries) PO Box 4844, Johannesburg, 2000, South Africa (for postal deliveries), by no later than 12:00 on the Offer Closing Date.

If you accept the Offer and surrender your Documents of Title, you will NOT be able to Dematerialise and/or trade your Offer Shares from the date that you surrender your Documents of Title in respect of those Offer Shares.

## **II. ACTION REQUIRED IN RESPECT OF THE DELISTING AND THE GENERAL MEETING**

### **A Approval of the Delisting at the General Meeting**

The Delisting must be approved by an Ordinary Resolution, at the General Meeting, by at least 75% of the votes of all Shareholders that are present or represented by proxy excluding the Offeror, its associates and any party acting in concert with the Offeror.

In accordance with paragraph 1.16 of the Listings Requirements, CIH (including the Offeror), its associates as defined and any party acting in concert with CIH will not be entitled to vote on the Delisting Resolution.

### **B General Meeting to consider the Delisting Resolution (Not the Offer)**

Shareholders are invited to electronically participate in the General Meeting to be held entirely via a remote interactive electronic platform on Wednesday, 26 April 2023 at 14:00. Should you have difficulty connecting to the meeting call +27 11 266 1678.

### **C Voting**

Shareholders wishing to participate electronically in the General Meeting are required to email the written application form for electronic participation notices (attached to the circular) (together with the relevant supporting documents referred to below) to the Company's Transfer Secretaries at [meetfax@jseinvestorservices.co.za](mailto:meetfax@jseinvestorservices.co.za) and to the Company at [company.secretary@jasco.co.za](mailto:company.secretary@jasco.co.za), in the case of certificated Shareholders or own-name dematerialised Shareholders, as soon as possible, but in any event, by no later than 14:00 on Monday, 24 April 2023, if they wish to participate via electronic communication at the General Meeting ("the electronic notice"). Dematerialised Shareholders other than own-name dematerialised shareholders must communicate with their Broker or CSDP.

In order for the electronic notice to be valid, it must contain:

- if the Shareholder is an individual, a certified copy of his/her identity document and/or passport;
- if the Shareholder is not an individual, a certified copy of a resolution by the relevant entity and a certified copy of the identity documents and/or passports of the persons who passed the relevant resolution;
- the relevant resolution must set out who from the relevant entity is authorised to represent the relevant entity at the General Meeting via electronic communication; and
- a valid email address and/or facsimile number ("the contact address/number").

Participants connecting to the General Meeting will be able to participate in and vote at the General Meeting electronically. Accordingly, and in order for their votes to be recorded, Certificated Shareholders and Dematerialised Shareholders with "own-name" registration making use of the electronic participation and voting facility must submit their duly completed forms of proxy to the Transfer Secretaries as soon as possible and as indicated in the notice of General Meeting included in this Circular.

Dematerialised Shareholders, other than those with "own-name" registration, making use of the electronic participation facility must provide instructions to their duly appointed Participant or Broker, as soon as possible and as indicated in the notice of General Meeting.

Those Dematerialised Shareholders, other than those with "own-name" registration, who wish to be classified as attending in person, must obtain letters of representation from their Participant or Broker, and voting forms from the Transfer Secretaries, and must submit both to the Transfer Secretaries. These Shareholders must also connect to the General Meeting electronically as explained above.

Shareholders are further encouraged to submit any questions via email to [company.secretary@jasco.co.za](mailto:company.secretary@jasco.co.za). Said questions will be addressed at the General Meeting and will be responded to by return email.

### **D Electronic Participation by Shareholders**

Shareholders are encouraged to connect to the General Meeting by utilising the virtual meeting facility that will be used to accommodate the process. Please contact the Company Secretary on the email [company.secretary@jasco.co.za](mailto:company.secretary@jasco.co.za) or telephonically on +27 11 266 1678 with your contact details no later than 14:00 on Monday, 24 April 2023, should you wish to obtain the link to the General Meeting.

In-person registration of meeting participants will not be carried out at the registered office of the Company. Participants should note that access to the electronic communication may be at the expense of the participants who wish to utilise the facility.

The notice convening the General Meeting is attached to this Circular.

## **E Holders of Certificated Shares and holders of Dematerialised Shares with own-name registration**

1. You are entitled to electronically participate in or be represented by proxy at the General Meeting.
2. If you are unable or do not wish to electronically participate in and vote at the General Meeting, and wish to be represented thereat, you must complete and return the attached form of proxy (*blue*) in accordance with the instructions therein so as to be received by the Transfer Secretaries, JSE Investor Services Proprietary Limited, at 2 Gwen Lane, Sandown, Sandton, 2196 (PO Box 4844, Johannesburg, 2000) by 14:00 on Monday, 24 April 2023 or emailed to the Transfer Secretaries, at meetfax@jseinvestorservices.co.za, before your appointed proxy exercises any of your rights at the General Meeting (or any adjournment of the General Meeting), provided that should the Transfer Secretaries receive your form of proxy less than 48 hours before the General Meeting, you will need to procure that a copy of your form of proxy is emailed to the Transfer Secretaries, at meetfax@jseinvestorservices.co.za, (who will provide same to the chairperson of the General Meeting) before your proxy exercises any of your rights at the General Meeting (or any adjournment of the General Meeting).

## **F Holders of Dematerialised Shares other than with own-name registration**

1. You must not complete the attached form of proxy.
2. If you wish to electronically participate in or be represented by someone other than your CSDP or Broker at the General Meeting, you must advise your CSDP or Broker timeously in order for them to issue you with the necessary letter of representation to enable you to electronically participate in or be represented at the General Meeting. Should you not wish to electronically participate in the General Meeting in person or be represented at the General Meeting by someone other than your CSDP or Broker, you must timeously provide your CSDP or Broker with your voting instruction in order for the CSDP or Broker to vote in accordance with your instruction at the General Meeting.
3. If your CSDP or Broker does not contact you, you are advised to contact your CSDP or Broker immediately. Instructions to your CSDP or Broker must be provided in the manner and time stipulated in the Custody Agreement governing the relationship between yourself and your CSDP or Broker and provide them with your instructions.
4. If your Broker or CSDP does not obtain voting instructions from you, it will be obliged to vote in accordance with the instructions contained in the Custody Agreement concluded between you and your Broker or CSDP.

## **III. GENERAL**

### **A Compulsory acquisition**

In the event that the Offer is implemented and is accepted by Shareholders holding at least 90% of the Offer Shares, the Offeror may, at its election, invoke the provisions of section 124 of the Companies Act, to compulsorily acquire all the Offer Shares held by the Non-accepting Shareholders, as further detailed in paragraph 5.3 of this Circular. Should the Offeror not elect to invoke the provisions of section 124 of the Companies Act, and the Offer becomes wholly unconditional and implemented, Shareholders who have not accepted the Offer will remain Shareholders in Jasco. If a Jasco Shareholder does not wish to accept the Offer in respect of any of the Offer Shares held by them, they do not need to take any further action and should the provisions of section 124 of the Companies Act not be invoked by the Offeror, such Shareholders will become Non-accepting Shareholders upon the Offer becoming wholly unconditional and implemented.

### **B Dematerialisation or rematerialisation of and trading in Shares**

If you wish to Dematerialise your Shares, please contact the Transfer Secretaries, your Broker or CSDP. You are NOT required to Dematerialise your Offer Shares in order to participate in the Offer or to receive the Offer Consideration.

You should note that once you have surrendered your Documents of Title in respect of your Offer Shares, pursuant to your acceptance of the Offer, you may not Dematerialise or trade any of the Offer Shares to which those Documents of Title relate.

Furthermore, you should note that, after acceptance of the Offer you may not Dematerialise or trade any of the Offer Shares in respect of which the Offer has been accepted.

For the avoidance of doubt, you may not, after acceptance of the Offer, instruct any Broker or CSDP to hold your Offer Shares in respect of which the Offer has been accepted as nominee on your behalf or, where such Offer Shares are already held by the Broker or CSDP as nominee, request the Broker or CSDP to release the Offer Shares in respect of which the Offer has been accepted.

No Dematerialisation or rematerialisation of Shares may take place:

- from the Business Day following the last day to trade prior to the General Meeting up to and including the Voting Record Date; and
- if the Offer is declared wholly unconditional, on or after the Business Day following the Offer Last Day to Trade.

#### **IV. FOREIGN SHAREHOLDERS**

If you are a Foreign Shareholder, you are urged to read the important information, relating to the Offer described in this Circular. If you are in doubt about your position, you should consult your professional advisor in the relevant jurisdiction.

#### **V. POSTING FORMS OF SURRENDER AND TRANSFER AND DOCUMENTS OF TITLE**

Forms of Surrender and Transfer (*green*) and Documents of Title that are sent through the post are sent at the risk of the Shareholder concerned. Accordingly, Shareholders should take note of postal delivery times so as to ensure that the forms and relevant Documents of Title are received timeously. It is therefore recommended that such forms and Documents of Title rather be sent by registered post or delivered by hand to the Transfer Secretaries.

#### **VI. LOST OR DESTROYED DOCUMENTS OF TITLE IN RESPECT OF CERTIFICATED SHAREHOLDERS**

If Documents of Title have been lost or destroyed, Certificated Shareholders should nevertheless return the Form of Surrender and Transfer (*green*) duly signed and completed. The Transfer Secretaries shall issue a suitable indemnity form to such Certificated Shareholder, such indemnity form to be in a form and substance acceptable to Jasco (in its sole and absolute discretion) and Jasco and the Transfer Secretaries must be satisfied that the Documents of Title have been lost or destroyed.

Only upon receipt of such indemnity form, duly completed and signed by such Certificated Shareholder, to be received by 12:00 on the Offer Closing Date, will Jasco consider the action taken by such Certificated Shareholder in terms of the Offer.

#### **VII. OTHER**

The contents of this Circular do not purport to constitute legal advice or to comprehensively deal with the legal, regulatory and tax implications of the Offer or any other matter for each Shareholder. Shareholders are accordingly advised to consult their professional advisors about their personal legal, regulatory and tax positions regarding the Offer or any other matter and in particular the receipt of the Offer Consideration, as applicable.

Jasco does not accept responsibility and will not be held liable for any act of, or omission by, any CSDP or Broker, including, without limitation, any failure on the part of the CSDP or Broker or any registered holder of Offer Shares to notify the holder of any beneficial interest in those Offer Shares in respect of the Offer or any other matter set out in this Circular.

#### **VIII. TRP APPROVAL**

Shareholders should take note that the TRP does not consider the commercial advantages or disadvantages of "affected transactions", as defined in section 117(1)(c) of the Companies Act, when it approves such transactions.

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## IMPORTANT DATES AND TIMES RELATING TO THE OFFER AND DELISTING

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The definitions and interpretations commencing on page 8 of this Circular apply, *mutatis mutandis*, to this section.

**2023**

Record date to determine which Shareholders are eligible to receive this Circular	Friday, 17 March
<b>Posting of this Circular including notice of General Meeting to Shareholders and announced on SENS</b>	Thursday, 23 March
<b>Posting of this Circular including notice of General Meeting to Shareholders and announced in the press</b>	Friday, 24 March
Offer Opening Date at 09:00	Friday, 24 March
Last day to trade in Jasco Ordinary Shares in order to be recorded in the register to vote at the General Meeting	Tuesday, 11 April
Voting record date to vote at the General Meeting	Friday, 14 April
Last day to lodge forms of proxy in respect of General Meeting by 14:00 on	Monday, 24 April
<b>General Meeting to be convened at 14:00 on</b>	Wednesday, 26 April
Publication of results of General Meeting on SENS on or before	Wednesday, 26 April
Offer becomes unconditional if Delisting Resolution is passed	Wednesday, 26 April
Publication of results of General Meeting in the press on or before	Friday, 28 April
Expected date of lodging an application for the termination of listing of the Shares on the JSE on	Tuesday, 2 May
Expected finalisation announcement published on SENS on or about	Tuesday, 2 May
Expected finalisation announcement published in the South African press	Wednesday, 3 May
First date on which the Offer Consideration is expected to be sent by EFT to Offer Participants who are Certificated Shareholders who have lodged their Form of Surrender and Transfer ( <i>green</i> ) with the Transfer Secretaries on or prior to the Offer being declared wholly unconditional, on or about	Tuesday, 9 May
First date on which Dematerialised Offer Participants are expected to have their accounts with their Broker or CSDP credited with the Offer Consideration, on or about	Tuesday, 9 May
Expected last day to trade to take up the Offer	Tuesday, 16 May
Expected suspension of the listing of the Shares at the commencement of trade on the JSE	Wednesday, 17 May
Expected Offer Record Date	Friday, 19 May
Expected Offer Closing Date. Forms of Surrender and Transfer ( <i>green</i> ) to be submitted by 12:00 on	Friday, 19 May
Last date on which the Offer Consideration is expected to be sent by EFT to Offer Participants who are Certificated Shareholders who have lodged their Form of Surrender and Transfer ( <i>green</i> ) with the Transfer Secretaries on or prior to the last day to trade to take up the Offer, on or about	Monday, 22 May
Last date on which Dematerialised Offer Participants are expected to have their accounts with their Broker or CSDP credited with the Offer Consideration on or about	Monday, 22 May
Expected termination of the listing of the Shares at commencement of trade on the JSE	Tuesday, 23 May



**Notes:**

1. All of the above dates and times are subject to change, with the approval of the JSE and TRP, if required. The dates have been determined based on certain assumptions regarding the dates by which certain regulatory approvals including, but not limited to, that of the JSE and TRP, will be obtained. Any change will be released on SENS and published in the South African press.
2. Shareholders should note that as transactions in shares are settled in the electronic settlement system used by Strate, settlement of trades takes place three Business Days after such trade. Therefore, persons who acquire Shares after close of trade on Tuesday, 11 April 2023, will not be eligible to attend, participate in and vote at the General Meeting, as the Record Date is Friday, 14 April 2023.
3. Jasco Share certificates may not be Dematerialised or rematerialised between Wednesday, 17 May 2023 and Friday, 19 May 2023, both days inclusive.
4. In the event that a Shareholder lodges a form of proxy (blue) with the Transfer Secretaries less than 48 hours (excluding Saturdays, Sundays and gazetted, national public holidays) before the General Meeting, such a Shareholder may email a form of proxy (blue) to the Transfer Secretaries (who will provide same to the chairperson of the General Meeting) at any time before the commencement of the General Meeting (or any adjournment or postponement of the General Meeting), with the understanding that such form of proxy and identification must be verified and registered before commencement of the General Meeting.
5. If the General Meeting is adjourned or postponed, forms of proxy submitted for the initial General Meeting will remain valid in respect of any adjournment or postponement of the General Meeting.
6. All times given in this Circular are local times in South Africa.
7. The date of payment of the Offer Consideration, will take place within six Business Days of the later of the Offer being declared wholly unconditional and acceptance of the Offer by the Offer Participant and in accordance with paragraph 6 of this Circular in respect of Certificated Shareholders.

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## DEFINITIONS AND INTERPRETATIONS

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In this document including its attachments, unless the context indicates a contrary intention, an expression which denotes any gender includes the other genders, a natural person includes a juristic person and *vice versa*, the singular includes the plural and *vice versa* and the following expressions bear the meanings assigned to them below:

“Auditors”	Mazars the auditors of Jasco;
“Authorised Dealer”	a person authorised by the Financial Surveillance Department of the SARB to deal in foreign exchange;
“Board” or “the Directors”	the board of directors of Jasco, as reflected on page 1;
“broker”	any person registered as a broking member (equities) in terms of the rules of the JSE and 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;
“Cautionary Announcements”	the cautionary announcements published by Jasco on 5 December 2022, and renewed on 19 January 2023 and 2 March 2023 in relation to the intended Offer and Delisting;
“Certificated Shares”	Jasco Shares, represented by a share certificate or other document(s) of title, which are not Dematerialised Shares;
“Certificated Shareholders”	holders of Certificated Shares;
“CIH”	<p>Community Investment Holdings Proprietary Limited (Registration number 1995/007296/07), a private company incorporated and registered in South Africa (owned indirectly by its directors Dr ATM Mokgokong and MJ Madungandaba through their respective associated entities), a material Shareholder, owning a total of 203 348 677 (55.34%) Jasco Shares, through the below associated group entities:</p> <ul style="list-style-type: none"><li>• Community Holdings No 1 Proprietary Limited (Registration number 1998/007247/07), a private company incorporated and registered in South Africa (wholly-owned subsidiary of CIH), which owns 84 285 982 (22.94%) Jasco Shares, who will act as the Offeror company;</li><li>• Golden Pond Trading 175 Proprietary Limited (Registration number 2004/021830/07), a private company incorporated and registered in South Africa, which owns 73 836 471 (20.09%) Jasco Shares. Community Healthcare Holdings Proprietary Limited (a wholly-owned subsidiary of CIH) owns 45% of the company with the remaining 55% being held by management and individual doctors. Dr N Munisi is a shareholder of Golden Pond Trading 175 Proprietary Limited and therefore presumed to be acting in concert with the Offeror;</li><li>• Pond Technologies Proprietary Limited (previously CIH Projects No 8 Proprietary Limited) (Registration number 2017/366276/07), a private company incorporated and registered in South Africa, which owns 44 263 793 (12.05%) Jasco Shares. Mantokozo Investments Proprietary Limited (owned by Dr ATM Mokgokong) and Merino Investments Proprietary Limited (owned MJ Madungandaba) co-owns 50% of this company with the remaining 50% being held by Golden Pond Trading 175 Proprietary Limited;</li></ul>

- Inkonkoni Investment Holding Trust (Registration number IT2629/02), a trust incorporated and registered in South Africa, (Dr ATM Mokgokong and MJ Madungandaba are the Trustees) which owns 594 250 (0.16%) Jasco Shares, a preference shareholder of CIH; and
- Parmtro Investments No 76 Proprietary Limited (Registration number 2005/029541/07), a private company incorporated and registered in South Africa, which owns 368 181 (0.10%) Jasco Shares. Dr ATM Mokgokong is the sole shareholder;

CIH, its directors (Dr ATM Mokgokong and MJ Madungandaba) and its associated entities listed above are presumed to be acting in concert with the Offeror and each other, in terms of regulation 84 of the Takeover Regulations for the purposes of the Offer and are therefore excluded from the Offer and from voting on the Delisting Resolution.

Dr N Munisi as a shareholder Golden Pond Trading 175 Proprietary Limited and AMF (Pete) Da Silva who serves on the Jasco Board as an alternate for MJ Madungandaba, are also presumed to be acting in concert with the Offeror and are therefore excluded from the Offer and from voting on the Delisting Resolution;

“CIH No 1” or “Offeror”	Community Holdings No 1 Proprietary Limited (Registration number 1998/007247/07), a private company incorporated and registered in South Africa (wholly-owned subsidiary of CIH), which owns 84 285 982 (22.94%) Jasco Shares, who will act as the offeror company;
“Circular”	this bound document, dated Thursday, 23 March 2023 including the annexures hereto and incorporating a Form of Surrender and Transfer ( <i>green</i> ) in respect of the Offer;
“Commission” or “CIPC”	the Companies and Intellectual Property Commission, established in terms of section 185 of the Act, or its successor body;
“Companies Act” or Act”	the Companies Act 2008, (Act No. 71 of 2008), as amended;
“CSDP”	Central Securities Depository Participant, being a participant as defined in section 1 of the Financial Markets Act;
“Custody Agreement”	the custody mandate agreement between a Dematerialised Shareholder and a CSDP or Broker, governing their relationship in respect of Dematerialised Shares held by a Dematerialised Shareholder on Jasco’s Uncertificated Securities Register and administered by a CSDP or Broker on behalf of that Dematerialised Shareholder;
“Delisting”	the termination of the listing of the Ordinary Shares on the JSE pursuant to the Delisting Resolution being adopted and the Offer being implemented, as may be applicable;
“Delisting Resolution”	the ordinary resolution to be proposed at the General Meeting to approve the Delisting in terms of paragraphs 1.15(a) and 1.16 of the Listings Requirements requiring at least 75% of the votes of all shareholders of the votes of all shareholders present or represented by proxy at the general meeting, excluding any offeror, their associates and any party acting in concert, must be cast in favour of such resolution;
“Dematerialisation”	the process by which Certificated Shares are converted to electronic form as uncertificated Ordinary Shares and recorded in a sub-register;
“Dematerialised Shareholders”	Shareholders who hold dematerialised shares;
“Dematerialised Shares”	shares that have been dematerialised;
“Exchange Control Regulations”	Exchange Control Regulations, 1961, as amended, issued under section 9 of the Currency and Exchanges Act, 9 of 1933, as amended;

“Documents of Title”	share certificates and/or certificated transfer deeds and/or balance receipts or any other document/s of title in respect of the Offer Shares;
“Firm Intention Announcement”	the announcement released by the Company and the Offeror on SENS on 6 March 2023 advising Jasco Shareholders of the Offer;
“Financials Markets Act”	the Financials Markets Act, 2014 (Act No. 19 of 2012), as amended;
“Foreign Shareholders”	a Shareholder who is a non-resident of South Africa as contemplated in the Exchange Control Regulations;
“Form of Surrender and Transfer ( <i>green</i> )”	for purposes of Certificated Shareholders accepting the Offer, the form of acceptance, surrender and transfer ( <i>green</i> ), attached to and forming part of this Circular for use only by Offer Participants holding Certificated Shares;
“Form of Proxy”	the form of proxy ( <i>blue</i> ) attached to this Circular;
“General Meeting”	the meeting of shareholders to be held entirely via a remote interactive electronic platform, at 14:00, on Wednesday, 26 April 2023, to consider and if deemed fit, approve the resolutions necessary to implement the Delisting;
“Government”	the Government of South Africa;
“ICT”	information and communications technology;
“Independent Board”	an independent sub-committee of the Board, consisting of PF Radebe, DH du Plessis, MSC Bawa and T Zondi and appointed to fulfil the role of an “independent board”, as contemplated in regulation 108 of the Takeover Regulations, all of whom are independent as contemplated in regulation 108(8) of the Takeover Regulations;
“Independent Expert”	BDO Corporate Finance Proprietary Limited;
“Independent Expert Report”	the report prepared by the Independent Expert in respect of the Offer and Delisting in accordance with Companies Regulation 90 and section 114 of the Companies Act (read with Companies Regulation 90(2)) and paragraph 1.15 of the Listings Requirements which is included as <b>Annexure 1</b> to this Circular;
“Income Tax Act”	the Income Tax Act, 1962 (Act No. 58 of 1962), as amended;
“Irrevocable Undertakings”	the signed irrevocable undertakings to vote in favour of the Delisting, provided by each of the Shareholders of Jasco, detailed in paragraph 5.1.4 of this Circular;
“Jasco” or “the company”	Jasco Electronics Holdings Limited, (Registration number 1987/003293/06), a public company incorporated in accordance with the laws of South Africa, the Ordinary Shares of which are listed on the main board of the stock exchange operated by the JSE;
“Jasco Group”	Jasco and its subsidiaries and associates;
“Jasco Shareholders” or “Shareholders”	all registered holders of Jasco issued Ordinary Shares;
“Jasco Shares” or “Ordinary Shares” or “Shares”	the ordinary shares in the capital of the company of no par value;
“Jasco Employee Share Incentive Scheme”	the employee share incentive scheme administrated in terms of the Jasco Employee Share Incentive Trust deed;
“Jasco Employee Share Incentive Trust”	the Jasco Employee Share Incentive Trust, Master reference number IT 3587/93, established in terms of the Jasco Trust Deed to act as the administrator of the Jasco Employee Share Incentive Scheme, executed in August 1993, as amended from time to time;

“Jasco Scheme Participant”	a participant in the Jasco Employee Share Incentive Scheme;
“Jasco Scheme Shares”	unallocated Jasco Shares held by the Jasco Employee Share Incentive Trust as Treasury Shares and Jasco Shares allocated to Scheme Participants and held on their behalf by the Jasco Employee Share Incentive Trust;
“JSE”	JSE Limited (Registration number 2005/022939/06), a public company incorporated in accordance with the laws of South Africa and licensed as an exchange under the Financial Markets Act;
“last practicable date”	Friday, 10 March 2023, being the last practicable date prior to the finalisation of this document;
“Listings Requirements”	the listings requirements of the JSE;
“MOI”	the Memorandum of Incorporation of Jasco;
“notice of shareholders’ meeting”	the notice convening the shareholders’ meeting which is attached to and forms part of this Circular;
“Offer”	the general offer by the Offeror, in terms of sections 117(1)(c)(v) of the Companies Act to acquire from the Jasco Shareholders, all or part of their Jasco Shares (other than Treasury Shares) for the Offer Consideration on and subject to the terms and conditions set out in this Circular;
“Offer Closing Date”	the closing date of the Offer at 12:00, which closing date is anticipated to be on Friday, 19 May 2023;
“Offer Consideration”	the cash consideration payable by the Offeror to Offer Participants of 16 cents per Jasco Share acquired in terms of the Offer, on a <i>cum</i> dividend basis as contemplated in paragraph 5.1.2, being a maximum of R24 868 853;
“Offer Last Day to Trade”	Tuesday, 16 May 2023, being the expected last day to trade in Shares in order to be recorded in the Register on the Offer Closing Date;
“Offer Participants”	the Jasco Shareholders who validly and lawfully accept the Offer by the Offer Closing Date, and who are thus entitled to receive the Offer Consideration in terms of the Offer;
“Offer Payment Period”	in relation to an Offer Participant, a period of six Business Days after the later of the Offer being declared unconditional in all respects as contemplated by regulation 102(12)(a) of the Takeover Regulations and acceptance of the Offer by such Offer Participant;
“Offer Period”	the period contemplated in paragraph 5.4;
“Offer Shares”	the Jasco Shares that the Offer Participants sell to the Offeror pursuant to the Offer, being a maximum of 155 430 331 Shares, which excludes Treasury Shares and the Shares held by CIH, its associates and parties acting in concert with the Offeror (as defined);
“Offerees”	Jasco Shareholders to whom the Offer is made, being all Jasco Shareholders other than the holders of Treasury Shares and CIH (as defined);
“Offer Opening Date”	the opening date of the Offer, being Friday, 24 March 2023;
“own-name Dematerialised Shareholders”	Dematerialised Shareholders who have elected to have own-name registration;
“R” or “Rand” or “cents”	South African rand and cents, the lawful currency of South Africa;
“Record Date of the Offer”	the last date on which a Jasco Shareholder must be recorded in the Register in order to accept the Offer, which as at the date of this Circular is anticipated to be Friday, 19 May 2023;
“register”	Jasco’s securities register, including all sub-registers;

“SENS”	the Stock Exchange News Service, the news service operated by the JSE;
“Settlement Date”	<ul style="list-style-type: none"> <li>• in respect of Certificated Jasco Shareholders who accept the Offer, within six business days of the later of (i) the Offer being declared wholly unconditional; and (ii) the date on which such Jasco Shareholders deliver Forms of Surrender and Transfer (<i>green</i>) and documents of title to Jasco’s Transfer Secretaries, with the last settlement date being the first business day after the Offer Closing Date; and</li> <li>• in respect of Dematerialised Jasco Shareholders who accept the Offer, within six business days of the later of (i) the Offer being declared wholly unconditional and (ii) the date on which the CSDP or Broker of such Dematerialised Jasco Shareholder notifies Jasco’s Transfer Secretaries of their acceptance of the Offer, with the last settlement date being the first business day after the Offer Closing Date;</li> </ul>
“South Africa”	the Republic of South Africa;
“Strate”	Strate Proprietary Limited (Registration number 1998/022242/07), a private company incorporated in accordance with the laws of South Africa, which is a registered central securities depository in terms of the Financial Markets Act, which manages the electronic clearing and settlement system for transactions that take place on the JSE and off-market trades;
“STT” Act”	the Securities Transfer Tax Act, 2007, as amended;
“STT”	securities transfer tax, levied in terms of the STT Act;
“subsidiary”	a subsidiary company, as defined in section 3 of the Act;
“Takeover Regulations”	the regulations made by the Minister in terms of sections 120 and 223 of the Act;
“Transfer Secretaries”	JSE Investor Services Proprietary Limited (Registration number 2000/007239/07), a private company incorporated in accordance with the laws of South Africa;
“Treasury Shares”	a total of 7 522 358 Jasco Shares (4 873 062 unallocated Jasco Scheme Shares held by the Jasco Employee Share Incentive Trust and the 2 649 296 Jasco Scheme Shares allocated to WA Prinsloo (encumbered by an outstanding loan)), the votes of which will not be taken into account for purposes of the Delisting Resolution;
“TRP”	the Takeover Regulation Panel, established in terms of section 196 of the Companies Act;
“VAT”	Value-Added Tax; and
“voting record date”	the last day for Shareholders to be recorded in the register in order to vote at the general meeting, being close of business on Friday, 14 April 2023.

## COMBINED CIRCULAR TO SHAREHOLDERS

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### 1. INTRODUCTION AND BACKGROUND

- 1.1 Jasco Shareholders were advised in the Firm Intention Announcement of the Offeror's intention to make an Offer to Jasco Shareholders, as contemplated in section 117(1)(c)(v) of the Companies Act, to acquire all the Jasco Shares (other than Treasury Shares and the Shares held by CIH, its associates and parties acting in concert with the Offeror (as defined)) for the Offer Consideration.
- 1.2 The Offer constitutes an "affected transaction" as defined in section 117(1)(c)(v) of the Companies Act and, as such, is regulated by the Companies Act and the Takeover Regulations.
- 1.3 In terms of the Firm Intention Announcement, the Offer was made conditional upon the approval of the Delisting Resolution and subject to the fulfilment or, waiver if certain other Conditions Precedent. The Conditions Precedent is set out in paragraph 5.5 of this Circular.
- 1.4 Should the Delisting Resolution be approved and the Offer is implemented, the listing of Jasco's Ordinary Shares on the JSE will be terminated. Subject to the Offer becoming unconditional in accordance with its terms, the JSE has granted approval for the suspension of the listing of the Ordinary Shares on the JSE with effect from the commencement of trade on the JSE on the day following the Offer Last Day to Trade, and the termination of the listing of the Ordinary Shares on the JSE from the commencement of trade on the day following the Offer Closing Date.
- 1.5 Having considered the opinion of the Independent Expert, the Independent Board and the Board are in unanimous support of the Offer and Delisting and recommend that Shareholders vote in favour of the Resolutions to be proposed at the General Meeting.

### 2. PURPOSE OF THIS CIRCULAR

- 2.1 The purpose of this Circular is to provide Shareholders with relevant information regarding the Offer and the Delisting, including the recommendation of the Independent Board in respect of the Offer, the report of the Independent Expert and historical financial information on Jasco, and to convene the General Meeting in order to consider and, if deemed fit, to pass with or without modification the Resolutions necessary to approve and implement the Offer and the Delisting in accordance with the Companies Act, Takeover Regulations and the Listings Requirements. The Notice of General Meeting is attached to, and forms part of, this Circular.
- 2.2 Shareholders are encouraged to read the full Circular to obtain a full understanding of the terms and conditions of the Offer and the Delisting.

### 3. RATIONALE FOR THE OFFER AND DELISTING

- 3.1 CIH and its associated entities (as defined) currently hold 55.36% of Jasco's Ordinary Shares, and a further 13.61% held by Goldsol II Proprietary Limited and 6.38% by TMM Holdings Proprietary Limited and its affiliate (Carla Maria Ferreira) resulting in a low free float and a Shareholder profile consisting of a substantial number of small Shareholders.

- 3.2 As a result, Jasco's shares trade in small volumes with minimal liquidity and no premium to its peers. In this context, the Jasco Board has resolved that Jasco can no longer justify the costs and associated administrative burden of a JSE listing when considered relative to the benefit of an ongoing listing. From a Shareholder perspective, the costs associated with Jasco being listed outweigh the benefit of being able to publicly trade in Jasco Shares.
- 3.3 The Delisting will also enable management of the Company to dedicate more time and resources to the Company's business operations without having to dedicate considerable time, expenses and resources to the regulatory processes associated with being a listed entity.
- 3.4 The Offer will provide Shareholders with an opportunity to realise their investment in Jasco by facilitating an exit for them from a relatively illiquid share.
- 3.5 The Offer Consideration of 16 cents per Jasco Ordinary Share represents a 14% premium to the closing price on the date preceding the Cautionary Announcement dated 5 December 2022 and a 4% premium to the 30-day volume weighted average price on the date preceding the Cautionary Announcement.
- 3.6 The audited net asset value per share at 30 June 2022 is 16.7 cents per share and tangible net asset value of 1.2 cents per share.

#### 4. **BACKGROUND TO CIH**

CIH was established in 1995 by Dr Anna Mokgokong and Joe Madungandaba; whose foresight, dynamism and entrepreneurial talents have enabled the company to move from its humble origins to a leading empowerment concern. CIH is 100% black-owned, women-led company with a consolidated turnover in excess of R14 billion, diversified between Healthcare, ICT, Power and Energy, Logistics, Mining and Infrastructure development.

CIH has been a significant Shareholder in Jasco since 2003 and have continuously demonstrated its support for Jasco. In the February 2022 Rights Offer, CIH underwrote R45.0 million of the R48.3 Million raised and consequently increased its shareholding from 32.52% to the current 55.34% (the Rights Offer Circular dated 18 January 2022 and related SENS announcements are available on the Company's website [www.jasco.co.za](http://www.jasco.co.za))

In 2022, CIH acquired the Jasco Property located in Midrand in July 2022 for R51,0 million from the third-party owner and took over the existing lease agreement with Jasco. CIH and Jasco entered into a new lease agreement which was approved by Jasco Shareholders at a general meeting held on 15 September 2022 (the Lease Agreement Circular dated 17 August 2022 and related SENS announcements are available on the Company's website [www.jasco.co.za](http://www.jasco.co.za)). CIH further granted Jasco a payment holiday on the gross rental in terms of the new lease agreement in September 2022 for a period of 12 months in further financial support.

#### 5. **THE OFFER**

##### 5.1 **The Offer and Offer Consideration**

- 5.1.1 The Offeror hereby offers, in terms of section 117(1)(c)(v) of the Companies Act, to acquire from the Jasco Shareholders all of the Offer Shares, being a maximum of 155 430 311 Jasco Shares, in respect of which it receives valid acceptances prior to the Offer Closing Date for the Offer Consideration.
- 5.1.2 The Offer Consideration is a cash consideration of 16 cents per Jasco Share acquired in terms of the Offer, being a maximum of R24 868 853.
- 5.1.3 In the Offeror's view, the Offer Consideration is compelling as (i) the Jasco Shares are thinly traded, (ii) the Offer Consideration represents a 14% premium to the closing price on the date preceding the Cautionary Announcement dated 5 December 2022 and a 4% premium to the 30-day volume weighted average price on the date preceding the Cautionary Announcement. (iii) represents a premium in excess of 100% against the audited tangible net asset value per share of 1.2 cents, published for the year ended 30 June 2022. The audited net asset value per share at 30 June 2022 was 16.7 cents per share.



- 5.1.4 Jasco has received irrevocable undertakings from the below Jasco Shareholders, in respect of 23.67% of the Jasco Shares to vote in favour of the Delisting Resolution.

<b>Name</b>	<b>Number of Shares beneficially held</b>	<b>Percentage shareholding</b>
Goldsol II Proprietary Limited	49 995 754	13.61
TMM Holdings Proprietary Limited	10 031 625	2.73
Carla Maria Ferreira*	13 418 995	3.65
Harvibase Investments Proprietary Limited**	13 516 342	3.68
<b>Total</b>	<b>86 962 716</b>	<b>23.67</b>

\* *Carla Maria Ferreira is the spouse of Mario Jose Andreade Ferreira who owns 70% of TMM Holdings Proprietary Limited, the remaining 30% is owned by directors of TMM Holdings Proprietary Limited.*

\*\* *Harvibase Investments Proprietary Limited is owned by MSC Bawa and Yusuf Mohammed.*

- 5.1.5 The Offer Consideration shall be settled in full, in accordance with the terms of the Offer without regard to any lien, right of set-off, counterclaim or other analogous right to which the Offeror may otherwise be, or claim to be, entitled against an Offer Participant.
- 5.1.6 The tax implications of the Offer are dependent upon the individual circumstances of the Offer Participants concerned and the tax jurisdiction applicable to such Offer Participants.
- 5.1.7 It is recommended that the Offer Participants seek appropriate professional advice in this regard.
- 5.1.8 For details regarding the settlement of the Offer Consideration, Jasco Shareholders are referred to paragraph 6 of this Circular for more information.

## 5.2 The Delisting

- 5.2.1 The Offer is subject to, *inter alia*, the condition that the delisting of Jasco's Shares from the JSE pursuant to the voluntary delisting provisions of the JSE Listings Requirements (the "Delisting") is approved by Jasco Shareholders and the JSE (the "Delisting Condition").
- 5.2.2 The Delisting will occur pursuant to the Delisting being approved and is subject to the Offer being implemented.
- 5.2.3 The effect of the Delisting will be that all Jasco's ordinary shares will be removed from the list of securities admitted to trading by the JSE.

## 5.3 Remaining Jasco Shareholders

- 5.3.1 Those Jasco Shareholders who do not accept the Offer will remain Jasco Shareholders. If the Delisting Resolution is passed and the Offer becomes wholly unconditional and is implemented, such Jasco Shareholders will be holders of unlisted securities.
- 5.3.2 If Offer Participants accept the Offer in respect of at least 90% of the issued Jasco Shares (other than Treasury Shares and Jasco Shares already held by the Offeror, persons related or inter-related to the Offeror and persons acting in concert with the Offeror) and if the Offer becomes wholly unconditional and is implemented, the Offeror may (at its election) invoke the provisions of section 124(1) of the Companies Act to compulsorily acquire all of the Jasco Shares not already acquired under the Offer.
- 5.3.3 If Offer Participants accept the Offer in respect of less than 90% of the issued Jasco Shares (other than Treasury Shares and Jasco Shares already held by the Offeror, persons related or inter-related to the Offeror and persons acting in concert with the Offeror and/or the Offeror) and if the Offer becomes wholly unconditional and is implemented, the Offeror will not be entitled to invoke the provisions of section 124(1) of the Companies Act to compulsorily acquire all of the Jasco Shares not already acquired under the Offer.
- 5.3.4 The risks of being invested in an unlisted environment includes (but is not limited to):
- 5.3.4.1 a lack of regulatory framework and the protection mechanisms provided by a licensed exchange;
  - 5.3.4.2 a lack of a formal market and trading platform; and
  - 5.3.4.3 pricing and liquidity risks and difficulty realising profits.

#### 5.4 Offer Period

- 5.4.1 The Offer will be open for acceptance by Offerees from 09:00 on the Offer Opening Date until 12:00 on the Offer Closing Date.
- 5.4.2 Accordingly, the Offer will remain open for acceptance by those Jasco Shareholders (other than the holders of Treasury Shares) that are recorded in the Register at any time during the Offer Period.
- 5.4.3 The Offeror reserves the right, subject to approval by the TRP (and the JSE, if required), to extend the Offer Closing Date of the Offer in accordance with the provisions of the Takeover Regulations and any other applicable law and regulations. Any announcement regarding any such extension will be released on SENS and published in the press.

#### 5.5 Conditions Precedent

- 5.5.1 The Offer and its implementation are subject to the fulfilment of the following Conditions Precedent, by 30 June 2023 which remain outstanding as at the Last Practicable Date, being that:
  - 5.5.1.1 The delisting of Jasco's Shares from the JSE pursuant to the voluntary delisting provisions of the JSE Listings Requirements (the "Delisting") is approved by Jasco Shareholders and the JSE (the "Delisting Condition").
  - 5.5.1.2 All approvals, consents and/or waiver from the applicable South African regulatory authorities as may be required in order for the Offer to be implemented (other than the issue of the compliance certificate by the TRP as contemplated in paragraph 5.5.1.3) have been obtained, including, to the extent required, approval/s of the exchange control authorities of the SARB, provided that if such approval is granted conditionally, this Condition Precedent shall not be regarded as having been fulfilled unless before such date the Offeror gives notice to Jasco to the effect that such conditions and terms are acceptable to the Offeror (in its discretion).
  - 5.5.1.3 The TRP issues a compliance certificate in relation to the Offer in terms of section 119(4)(b) of the Companies Act.
- 5.5.2 The Offeror reserves the right and shall be entitled, in its sole and absolute discretion, to extend the date set for fulfilment or waiver of any of these Conditions Precedent, which the Offeror may only do in accordance with the requirements of the Takeover Regulations and any other applicable laws (where relevant).
- 5.5.3 If the Conditions Precedent are fulfilled or waived (to the extent that the waiver is competent in law) and the Offer has become wholly unconditional and is to be implemented, an announcement will be released on SENS to that effect and the effective date will be six business days thereafter. Announcements will also be released on SENS as soon as possible after the non-fulfilment of any Condition Precedent or any extension of any date set for fulfilment or waiver (to the extent that the waiver is competent in law) of any of the Conditions Precedent.
- 5.5.4 The Offer is not subject to any minimum acceptance threshold being achieved.

#### 5.6 Procedure for acceptance of the Offer

- 5.6.1 Jasco Shareholders can either accept or reject the Offer.
- 5.6.2 Jasco Shareholders who wish to accept the Offer are referred to page 4 of this Circular, which sets out the procedure for acceptance of the Offer and the action required by them in respect of the Offer.
- 5.6.3 Jasco Shareholders who wish to reject the Offer, do not need to take further action.

#### 5.7 Acceptance irrevocable

- 5.7.1 All acceptances of the Offer received by Jasco's Transfer Secretaries, the Offeror or the relevant CSDP or Broker prior to the Offer Closing Date shall be irrevocable.
- 5.7.2 Acceptances of the Offer may be withdrawn by written notice to the Offeror if the Offer has not been declared wholly unconditional by midnight on the 65th Business Day after the Offer Opening Date.

## 5.8 The Jasco Employee Share Incentive Scheme

- 5.8.1 The Jasco Share Incentive Scheme was originally formed in 1993 to enable executives of the group to acquire shares in Jasco to provide them with incentives to advance the group's interests. The maximum number of Jasco Scheme shares and/or options that may be issued may not exceed 53 478 714 (2021: 32 759 885), being 15% of the issued share capital at the inception of the Jasco Employee Share Incentive Trust including all subsequent capitalisation issues.
- 5.8.2 The maximum number Jasco Scheme Shares allowed for any one person is 17 023 501 (2021: 8 735 969) of the issued share capital of the company. In terms of the Jasco Share Incentive Scheme rules, 50% of shares issued and options granted may be exercised after two years, 75% after three years and 100% after four years.
- 5.8.3 All shares and options allocated in terms of the Jasco Share Incentive Scheme vested in 2020, and the Jasco Board of has taken the decision to wind down the Jasco Employee Share Incentive Scheme once all Jasco Scheme Shares have been withdrawn by the last remaining Jasco Scheme Participant.
- 5.8.4 The last remaining Scheme Participant is WA Prinsloo with 2 649 296 Jasco Scheme Shares allocated to him through the Jasco Share Incentive Scheme. WA Prinsloo has a loan outstanding to the Jasco Employee Share Incentive Trust with regards to the 2 649 296 Jasco Scheme Shares. In terms of Jasco Share Incentive Scheme rules, the 2 649 296 will be excluded from the Offer as they are still encumbered and will be deemed as Treasury Shares.
- 5.8.5 The Jasco Employee Share Incentive Trust holds 4 873 062 unallocated Jasco Scheme Shares, which is deemed as Treasury Shares and are excluded from participating in the Offer and will not be taken into account at the General Meeting for approval of the Delisting Resolution. The unallocated Jasco Scheme Shares will be cancelled and returned to authorised but unissued share capital upon winding down of the Jasco Employee Share Incentive Scheme once all Jasco Scheme shares have been withdrawn by the last remaining Jasco Scheme Participant.

## 5.9 Applicable law

- 5.9.1 The Offer is made in compliance with the requirements of the Takeover Regulations and is governed by and subject to the provisions of the laws of South Africa and will be subject to the exclusive jurisdiction of a South African court.
- 5.9.2 Each Offer Participant will be deemed by their acceptance to have consented and submitted to the jurisdiction of the courts of South Africa in relation to all matters arising out of or in connection with the Offer and acceptance thereof.

## 5.10 Offer not made where illegal

- 5.10.1 The legality of the Offer to persons resident in jurisdictions outside of South Africa may be affected by the laws of the relevant jurisdiction.
- 5.10.2 Such person should acquaint themselves with any applicable legal requirements which they are obligated to observe.
- 5.10.3 It is the responsibility of any Offeree wishing to accept the Offer to satisfy himself as to the full observance of the laws of the relevant jurisdiction in connection therewith.
- 5.10.4 If received in any jurisdiction where it is illegal for the Offer to be made or accepted, this document should be treated as having been received for information only.

## 5.11 Basis of acquisition of Jasco Shares

Offer Participants warrant and undertake that they will deliver the Jasco Shares to be acquired by the Offeror to the Offeror free of all liens, equities, mortgages, options, rights of pre-emption, charges, encumbrances and other third-party rights and interests of any nature whatsoever.

## 5.12 Approvals, consents and undertakings received

- 5.12.1 The Offeror has obtained the necessary authorisations and approvals from the Offeror's Directors to proceed with the Offer.
- 5.12.2 The TRP has approved this Circular in writing.
- 5.12.3 The TRP does not express any view or opinion on the commercial advantages or disadvantages of the Offer.
- 5.12.4 The JSE has approved this Circular including the Independent Expert Report and has approved the timetable as contained in this Circular.

## 5.13 Tax implications for Offer Participants

The tax implications for Offer Participants are dependent on the individual circumstances and the jurisdiction(s) and relevant tax laws of such jurisdiction(s) that may be applicable to such Offer Participants. Accordingly, it is recommended that if Offer Participants are uncertain about the tax treatment of the sale of the Offer Shares to the Offeror and the receipt of the Offer Consideration, they seek appropriate advice in this regard.

## 5.14 Other tax implications

Any Securities Transfer Tax (levied at a rate of 0.25%) payable in respect of the transfer of the Offer Shares to the Offeror, will be payable by the Offeror.

## 5.15 Sufficient cash resources to settle the maximum Offer Consideration

The TRP has been furnished with the requisite cash confirmation in compliance with regulations 111(4) and 111(5) of the Takeover Regulations in the form of a bank guarantee issued by Investec Bank Limited, in order to satisfy the maximum Offer Consideration payable in terms of the Offer.

## 5.16 Other terms of the Offer

- 5.16.1 The Offer may be amended, varied or revised in such manner as the Offeror in its sole discretion may determine, provided that no such amendment, variation or revision shall be made unless:
  - 5.16.1.1 the prior written consent of the TRP has been obtained;
  - 5.16.1.2 there is no diminution in the value of the Offer Consideration offered; and
  - 5.16.1.3 an announcement or press release containing the amended, varied or revised offer is made prior to the Finalisation Date.
- 5.16.2 In addition to the above, no amendment to, or variation of the Offer will be valid unless made in writing and signed by a duly authorised representative of the Offeror. Without prejudice to its other rights, the Offeror reserves the right to condone, in its sole discretion, the non-observance by any Jasco Shareholder of any of the terms or conditions of the Offer. If the Offer is amended, varied or revised in a manner which makes it more favourable to Jasco Shareholders, the benefit of such improved Offer will automatically accrue to any Jasco Shareholder who has accepted the Offer.
- 5.16.3 The acceptance by, or on behalf of, such Jasco Shareholder of the Offer in its original or previous form shall be deemed to be an acceptance of any improved Offer pursuant to any such amendment, variation or revision and shall constitute an irrevocable authority and power of attorney in rem suam to any director or duly authorised representative of the Offeror:
  - 5.16.3.1 to accept such amended, varied or revised Offer on behalf of such Jasco Shareholder; and
  - 5.16.3.2 to execute on behalf of and in the name of such Jasco Shareholder all such further documents (if any) as may be required to give effect to such acceptance.

## 6. SETTLEMENT OF THE OFFER CONSIDERATION

- 6.1 For the sake of clarity, Jasco Shares may not be Dematerialised or re-materialised by Offer Participants between the date of the acceptance until the Settlement Date, both days inclusive.
- 6.2 Subject to the fulfilment or waiver (to the extent that waiver is competent in law) of the Conditions Precedent, settlement of the Offer Consideration to Certificated Offer Participants who have surrendered their Documents of Title and furnished a duly signed Form of Surrender and Transfer (*blue*) in accordance with the instructions contained therein will take place on the Settlement Date.
- 6.3 Where any Certificated Offer Participant has not validly surrendered his relevant Documents of Title, the Offer Consideration will be held by Jasco's Transfer Secretaries on behalf of and for the benefit of such Offer Participant until claimed. No interest will accrue or be paid to any Offer Participant in respect of any future distributions paid on the Offer Consideration units so held in trust.
- 6.4 Subject to the fulfilment or waiver (to the extent that waiver is competent in law) of the Conditions Precedent, settlement of the Offer Consideration to Dematerialised Offer Participants will take place in accordance with the custody agreement concluded between such Dematerialised Offer Participants and their CSDPs or Brokers. The settlement of the Offer Consideration will take place on the Settlement Date.

## 7. HISTORICAL FINANCIAL INFORMATION

Extracts of the audited annual financial statements of the Company for the three years ended 30 June 2022, 30 June 2021 and 30 June 2020 and the published unaudited interim results of Jasco for the six-month period ended 31 December 2022 are set out in **Annexure 2** of this Circular. The full audited annual financial statements and unaudited interim results are available on the website at [www.jasco.co.za](http://www.jasco.co.za).

The unaudited interim results of Jasco for the six months ended 31 December 2022 is included in **Annexure 3** of this Circular.

## 8. SOUTH AFRICAN EXCHANGE CONTROL REGULATIONS

**Annexure 5** to this Circular contains a summary of certain important information for Foreign Shareholders, including a summary of the Exchange Control Regulations as they apply to Offer Participants who are Foreign Shareholders. Offer Participants who are Foreign Shareholders must satisfy themselves as to the full observance of the laws of any relevant jurisdiction concerning the receipt of the Offer Consideration, including (without limitation) obtaining any requisite governmental or other consents, observing any other requisite formalities and paying any issue, transfer or other taxes due in such jurisdiction. If in doubt, Offer Participants should consult their professional advisors immediately.

## 9. ESTIMATED EXPENSES

There have been no preliminary expenses incurred by Jasco in the three years immediately preceding the date of the Circular. It is estimated that Jasco's expenses relating to the Offer and Delisting will amount to approximately R1.5 million. The expenses (excluding VAT) relating to the Offer and Delisting are detailed below.

<b>Nature of expense</b>	<b>Party</b>	<b>R</b>
JSE documentation inspection fee	JSE Limited	22 027
TRP ruling request fee	TRP	3 000
TRP documentation inspection fee	TRP	171 000
Printing, publication and distribution	Ince	150 000
Corporate advisor and transaction sponsor	Grindrod Bank Limited	650 000
Independent Expert	BDO	400 000
Other	Various	103 973
<b>Total</b>		<b>1 500 000</b>

## 10. MAJOR JASCO SHAREHOLDERS

Insofar as is known to the Directors of Jasco, on the last practicable date, the Shareholders directly or indirectly beneficially interested in 5% or more of the issued capital of Jasco are as set out in the table below:

Name	Number of Shares beneficially held	Percentage shareholding
CIH	203 348 677	55.34
Goldsol II Proprietary Limited	49 995 754	13.61
TMM Holdings Proprietary Limited	23 450 620	6.38
<b>Total</b>	<b>228 810 867</b>	<b>62.27</b>

CIH became a controlling Shareholder in February 2022, after the implementation of the Rights Offer. There have not been any other changes in the controlling Shareholder of the Company or the trading objects of the Company during the five years preceding the date of this Circular.

## 11. STATEMENT OF DIRECT AND INDIRECT BENEFICIAL INTEREST IN SECURITIES OF JASCO DIRECTORS

11.1 As at the last practicable date, the directors and their associates (as defined in terms of the Listings Requirements), including directors who have resigned in the last 18 months, had the following direct and indirect beneficial interest in the share capital of the Company:

Director	Direct beneficial		Indirect beneficial		Total	Total %
	Current %	Current %	Current %	Current %		
MSC Bawa	50 509	0.01	6 758 171	1.84	6 808 680	1.85
AMF da Silva <sup>1</sup>	1 070 500	0.29	–	–	1 070 500	0.29
WA Prinsloo	25 000	0.01	2 649 296	0.72	2 674 296	0.73
MJ Madungandaba <sup>3</sup>	–	–	103 111 356	28.06	103 111 356	28.06
Dr ATM Mokgokong <sup>3</sup>	–	–	52 253 138	14.22	52 253 138	14.22
Dr N Munisi <sup>4</sup>	–	–	2 399 209	0.65	2 399 209	0.65
<b>Total</b>	<b>1 146 009</b>	<b>0.31</b>	<b>167 171 170</b>	<b>45.49</b>	<b>168 317 179</b>	<b>45.81</b>

### Notes:

1. Mr AMF (Pete) da Silva acted as a non-executive director, until 15 July 2019, when his status changed to alternate non-executive director to Mr JM Madungandaba.
2. No share options were issued during the year ended 30 June 2021, nor between 30 June 2021 to the last practicable date of this Circular.
3. MJ Madungandaba and Dr ATM Mokgokong are directors of CIH and the Offeror and as such is excluded from receiving the Offer and from voting on the Delisting Resolution.
4. Dr N Munisi was appointed as a non-executive director with effect from 1 July 2022.

11.2 As at the last practicable date, Jasco held no CIH securities.

11.3 During the last 12 months, there has been no resignations of Jasco Directors holding direct and indirect beneficial interest in Jasco.

11.4 No Jasco director had any dealings in Shares during the six-month period prior to the last practicable date.

11.5 Directors' decisions regarding the Offer:

11.5.1 MSC Bawa and WA Prinsloo have decided that they will not accept the Offer. The decision by WA Prinsloo is in relation to his direct interest of 25 000 Jasco Shares (the indirect interest of 2 649 296 Jasco Shares are excluded from the Offer as detailed in paragraph 5.8 of the Circular).

Of the Jasco Directors listed above, only MSC Bawa (in respect of his direct and the indirect interest held through Harvibase Investments Proprietary Limited) and WA Prinsloo (in respect of his direct interest of 25 000 Jasco Shares) are eligible to vote on the Delisting Resolution and both MSC Bawa and WA Prinsloo will vote in favour of the Delisting Resolution.

The decisions by the directors are disclosed in terms of the Listings Requirements and were taken outside of a closed period. Neither MSC Bawa nor WA Prinsloo entered into any from agreement with the Offeror not to accept the Offer nor to vote in favour of the Delisting Resolution and are not considered as acting in concert with the Offeror.

11.5.2 AMF da Silva is appointed as an alternate director for MJ Madungandaba, a director of CIH and is therefore presumed to be acting in concert with the Offeror and excluded from receiving the Offer and from voting on the Delisting Resolution.

11.5.3 MJ Madungandaba and Dr ATM Mokgokong are directors of CIH and the Offeror and as such are excluded from receiving the Offer and from voting on the Delisting Resolution.

11.5.4 Dr N Munisi is a shareholder of Golden Pond Trading 175 Proprietary Limited, an associated company of CIH (refer to definition) and therefore a concert party to the Offeror and excluded from receiving the Offer and from voting on the Delisting Resolution.

## **12. DEALINGS IN CIH SECURITIES**

Neither the Company, nor any Director, have dealt for value in the Shares or any other securities of CIH during the period beginning six months before the Offer Period and ending on the last practicable date.

## **13. CIH AND ITS DIRECTORS' INTEREST AND DEALINGS IN JASCO SHARES AND CIH SHARES**

### **13.1 CIH's interest in Jasco Shares**

The interest of CIH and its director's interest in Jasco Shares as at the last practicable date is disclosed in paragraphs 10 and 11 above.

Pursuant to the Offer becoming unconditional, the Offeror will become the beneficial owner of the number of Offer Shares sold pursuant to the acceptance of the Offer.

### **13.2 CIH's dealings in Jasco Shares**

No dealings in Jasco Shares were conducted by CIH during the period beginning six months prior to the Opening Date and ending on the Last Practicable Date.

### **13.3 CIH directors' interest in Jasco Shares**

No dealings in Jasco Shares were conducted by the CIH's directors during the period beginning six months prior to the Opening Date and ending on the Last Practicable Date.

## **14. IRREVOCABLE UNDERTAKINGS REGARDING ACCEPTANCE OF THE OFFER AND CONCERT PARTY ARRANGEMENTS**

14.1 CIH is not acting in concert with any other person in relation to the Offer, other than those specifically indicated in the CIH definition.

14.2 As at the Last Practicable Date, no irrevocable undertakings to participate in the Offer were obtained.

## **15. AGREEMENTS IN RELATION TO THE OFFER**

No agreement exists between Jasco and CIH, or any persons acting in concert with CIH, any directors of CIH, or any person who was a director of CIH with the 12 months preceding the last practicable date, or any shareholder of CIH, or any person who was a shareholder of CIH in the 12 months preceding the last practicable date, which agreement is considered to be material to the decision to be taken by Jasco shareholders regarding the Offer.

## **16. REMUNERATION OF JASCO DIRECTORS**

16.1 The remuneration of the non-executive Jasco Directors will not be affected by the Offer, however, following the successful implementation of the Delisting, the composition of the Jasco Board will be reassessed.

16.2 The members of the Independent Board will not receive additional fees for their role as the Independent Board in the Offer.

## 17. THE INDEPENDENT EXPERT REPORT

The Independent Expert has, in accordance with Companies Regulation 90 and section 114 of the Companies Act (read with Companies Regulation 90(2)) and in terms of paragraph 1.15 of the Listings Requirements, provided the Independent Expert Report to the Independent Board, which report has not been withdrawn prior to publication of this Circular.

As further detailed in the Independent Expert Report, the Independent Expert is of the opinion that the terms and conditions of the Offer and the Offer Consideration is fair and reasonable to Jasco Shareholders, as each of these terms is contemplated in the Companies Regulations.

For the purposes of paragraph 1.15 of the Listings Requirements, the Independent Expert is of the opinion that the Offer is fair insofar as the Jasco Shareholders are concerned.

The Independent Expert Report is included in **Annexure 1** to this Circular.

## 18. JASCO INDEPENDENT BOARD'S OPINION AND RECOMMENDATION REGARDING THE OFFER

In accordance with the Takeover Regulations, the Board has appointed the Independent Board, which has appointed the Independent Expert to compile a report on the Disposal. The Board has provided all relevant information on the Company requested by the Independent Expert in order to compile its report.

Following the Independent Board's review of the Independent Expert Report, the Independent Board has considered the Offer and the Offer Consideration. The Independent Board, after due consideration of the Independent Expert Report, has determined that it will place reliance on the valuation performed by the Independent Expert for the purposes of reaching its own opinion regarding the Offer, as contemplated in Companies Regulation 110(3)(b) of the Takeover Regulations. The Independent Board has formed a view of the range of the Consideration for the Sale Shares, which accords with the range contained in the Independent Expert's report, in considering its opinion and recommendation. The Independent Board is not aware of any factors which are difficult to quantify or are unquantifiable (as contemplated in regulation 110(6) of the Takeover Regulations and has not taken any such factors into account in forming its opinion).

The Independent Board took note of the following factors which required the exercise of professional judgement by the Independent Expert in quantifying:

- the discount rate or weighted average cost of capital ("WACC");
- the terminal growth rate used in the cash flow projections; and
- the deferred taxation assets attributable to assessed losses.

The Independent Board, taking into account the report of the Independent Expert, has considered the terms and conditions of the Offer and the members of the Independent Board are unanimously of the opinion that the terms and conditions thereof are fair and reasonable to the Shareholders and, accordingly, recommend that the Shareholders accept the Offer and vote in favour of the Delisting at the General Meeting.

## 19. JASCO BOARD RESPONSIBILITY STATEMENTS

### 19.1 Independent Board Responsibility Statement

The Independent Board, collectively and individually, accepts responsibility for the accuracy of the information contained in this Circular which relates to Jasco and confirms that, to the best of its knowledge and belief, such information which relates to Jasco is true and the Circular does not omit anything likely to affect the importance of such information.

### 19.2 Directors' responsibility Statement

The directors, whose names are set out in the "Corporate information and advisers" section of this Circular, collectively and individually, accept full responsibility for the accuracy of the information contained in this Circular and certify that, to the best of their knowledge and belief that 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.



## 20. **OPINION AND RECOMMENDATION OF THE CIH BOARD OF DIRECTORS**

In compliance with regulation 110(10)(b) of the Takeover Regulations, the Offeror has provided relevant information to the independent board of directors of Jasco and the Independent Expert appointed by the Independent Board of directors of Jasco to assist them in the consideration of (and to form an opinion on) the fairness and reasonableness of the Offer Consideration.

## 21. **INTENTIONS REGARDING THE BUSINESS OF JASCO**

21.1 Should the Delisting be implemented, Jasco will continue its business as a subsidiary of the CIH group.

21.2 The nature of Jasco's business is not likely to change pursuant to the Offer and Delisting and the composition of the Board will be considered and may be reconstituted in the light of the governance requirements for an unlisted company in accordance with the Companies Act requirements following the Delisting.

21.3 The unlisted environment may not meet certain Shareholders' investment objectives and the Shareholders are given the opportunity to dispose of their Shares prior to the Delisting in terms of the Offer.

## 22. **OFFEROR DIRECTORS' RESPONSIBILITY STATEMENT**

The Offeror Directors:

22.1 have considered all statements of fact and opinion in this Circular;

22.2 accept, individually and collectively, full responsibility for the accuracy of the information given in this Circular;

22.3 certify that, to the best of their knowledge and belief, the information in this Circular is true;

22.4 certify that, to the best of their knowledge and belief, there are no omissions of material facts or considerations which would make any statement of fact or opinion contained in this document false or misleading;

22.5 have made all reasonable enquiries in this regard; and

22.6 confirm that the Circular contains all information required by the TRP and the JSE in respect of offeror offer circulars, issued pursuant to the Takeover Regulations.

## 23. **CONSENTS**

The corporate advisor and transaction sponsor, transfer secretaries and Independent Expert to Jasco have given and have not, prior to the last practicable date, withdrawn their written consents to the inclusion of their names and, where applicable, their reports in the form and context in which they appear in this Circular.

The independent reporting accountants have consented in writing to the inclusion of their report in this Circular in the form and context in which it appears and have not withdrawn such consents prior to the publication of this Circular.

The corporate advisor and transaction sponsor fee is disclosed in paragraph 9 of this Circular. The corporate advisor services provided are those that are interlinked with the transaction sponsor role, regarding providing advice on aspects of structuring and implementing the Offer and the Delisting and certain commercial aspects of the Offer and Delisting, as well as drafting of the circular and supporting documentation. The corporate advisor and transaction sponsor fees in this instance does not include a success fee based on the value of the Offer and as such, the corporate advisor and transaction sponsor do not believe that the joint role of corporate advisor, impairs its independence to act as transaction sponsor.

## 24. GENERAL MEETING

The general meeting is scheduled to be entirely via a remote interactive electronic platform, at 14:00 on Wednesday, 26 April 2023 for the purposes of considering and if deemed fit, passing with or without modification, the resolutions required for the Delisting. A notice convening the general meeting to approve the Delisting and a form of proxy (*blue*), for use by certificated shareholders and dematerialised shareholders with own-name registration who are unable to attend the general meeting, form part of this Circular.

In terms of the Listings Requirements, a 75% majority of votes of all shareholders entitled to vote, present or represented by proxy at the general meeting must be obtained in respect of the ordinary resolutions to approve the Delisting.

## 25. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents will be available on the website at [www.jasco.co.za](http://www.jasco.co.za) and for inspection at the registered offices of Jasco and the corporate advisors during normal business hours (excluding Saturdays, Sundays and public holidays) from the date of issue of this Circular up to the last practicable date of this Circular:

- The Memorandum of Incorporation of Jasco and its major subsidiaries.
- The audited consolidated financial statements of Jasco for the three financial years ended 30 June 2022, 30 June 2021 and 30 June 2020.
- The unaudited interim results of Jasco for the six months ended 31 December 2022.
- A copy of the fairness opinion report presented in **Annexure 1**.
- Copies of the signed Irrevocable Undertakings referred to in paragraph 14 of this Circular.
- Copies of service agreements with directors, managers, secretaries, underwriters, vendors and promoters entered into during the last years three years.
- The letter confirming approval of this circular by the TRP.
- Written consents of the parties referred in paragraph 23.
- A signed copy of this Circular.

By order of the Jasco Board

## JASCO ELECTRONICS HOLDINGS LIMITED

### Warren Prinsloo

*Chief Executive Officer*

Midrand  
23 March 2023

### Registered office

Corner Alexandra Avenue and 2nd Street  
Midrand  
1685  
(PO Box 860, Wendywood, 2144)

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## INDEPENDENT EXPERT'S REPORT

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The Independent Board  
Jasco Electronics Holdings Limited  
Cnr Alexandra Avenue and 2nd Street  
Halfway House  
1685  
10 March 2023

Dear Sirs/Mesdames

### **FAIRNESS OPINION IN RESPECT OF THE OFFER BY COMMUNITY HOLDINGS NO 1 PROPRIETARY LIMITED TO PURCHASE ALL OF THE ISSUED JASCO ELECTRONICS HOLDINGS LIMITED ORDINARY SHARES BY WAY OF A GENERAL OFFER**

#### **Introduction**

In terms of the firm intention announcement published by Jasco Electronics Holdings Limited ("Jasco" or "Company") on the Stock Exchange News Service of the JSE Limited ("JSE") ("SENS") on Monday, 6 March 2023 ("Firm Intention Announcement"), registered holders of Jasco issued ordinary shares ("Shareholders") were advised of the firm intention by the Company's major shareholder, Community Holdings No 1 Proprietary Limited ("CIH No 1" or "Offeror") to make a general offer (the "Offer") to Shareholders to acquire from Shareholders all of the ordinary shares in the capital of the Company of no par value ("Shares") for a cash consideration of 16 cents per Share ("Offer Consideration") in terms of section 117(c)(v) of the Companies Act 2008 (Act No. 71 of 2008) ("Companies Act") and paragraphs 1.15(c) of the listings requirements of the JSE ("Listings Requirements").

The listing of Shares on the main board of the securities exchange operated by the JSE will be terminated pursuant to the Offer being implemented on the adoption of an ordinary resolution to this effect in terms of paragraphs 1.15(a) and 1.16 of the Listings Requirements ("Delisting").

Those Shareholders who do not accept the Offer will remain Shareholders if the Offer becomes wholly unconditional and is implemented, in an unlisted environment.

#### **Independent expert report required in terms of the Companies Act**

The Offer is an affected transaction as defined in section 117(1)(c)(v) of the Companies Act. In terms of section 114(2) of the Companies Act, as read with regulations 90 and 110 of the Companies Regulations, 2011, as amended ("Takeover Regulations"), the independent board of directors of Jasco constituted in terms of the Companies Act ("Independent Board") is required to retain an independent expert to provide an independent expert report (in the form of a fair and reasonable opinion) in terms of section 114(3) of the Companies Act and regulations 90 and 110 of the Companies Regulations, with regards to the Offer and the Offer Consideration (the "Fair and Reasonable Opinion").

BDO Corporate Finance Proprietary Limited ("BDO Corporate Finance") has been appointed as the independent expert by the Independent Board to assess the Offer and the Offer Consideration as required in terms of section 114, as read with regulations 90 and 110 of the Companies Regulations, of the Companies Act and regulations 90 and 110 of the Companies Regulations and to provide the Fair and Reasonable Opinion. The Fair and Reasonable Opinion set out herein is provided to the Independent Board for the sole purpose of assisting the Independent Board in forming and expressing an opinion on the Offer and the Offer Consideration for the benefit of Shareholders.

## **Fairness opinion required in terms of the Listings Requirements**

In terms of paragraph 1.15(d) of the Listings Requirements, the board of directors of Jasco (“Board” or the “Directors”) is required to obtain a fairness opinion from an independent professional expert confirming that the Offer is fair insofar as the Shareholders (excluding any related parties) (“Offerees”) are concerned and to advise Offerees accordingly (the “Fairness Opinion”). The Board has constituted the Independent Board to fulfil its obligations in this regard.

BDO Corporate Finance has been appointed as the independent professional expert to provide the Fairness Opinion in respect of the Offer.

## **Responsibility**

Compliance with the Companies Act and the Listings Requirements is the responsibility of the Board. Our responsibility is to report to the Board and Independent Board on whether the Offer is fair to Offerees.

## **Definition of the terms “fair” and “reasonable” applicable in the context of the Offer**

The “fairness” of an offer is primarily based on quantitative issues. A transaction will generally be considered to be fair to a company’s shareholders if the benefits received, as a result of the transaction, are equal to or greater than the value given up.

An offer may generally be considered to be fair to shareholders if the offer consideration is equal to or greater than the fair value of an offer share, or unfair if the offer consideration is less than the fair value of an offer share. Furthermore, in terms of regulation 110(8) of the Companies Regulations, an offer with a consideration per offeree regulated company security within the fair-value range is generally considered to be fair.

The assessment of reasonableness of an offer is generally based on qualitative considerations surrounding the offer. Hence, even though the consideration to be paid in respect of an offer may be lower than the market price, the offer may be considered reasonable after considering other significant qualitative factors. In terms of regulation 110(9) of the Companies Regulations, an offer is generally said to be reasonable if the offer consideration is greater than the trading price of an offer share as at the time of announcement of the offer consideration, or at some other more appropriate identifiable time.

## **Details and sources of information**

In arriving at our opinion, we have relied upon the following principal sources of information:

- the terms and conditions of the Offer, as set out in the Firm Intention Announcement and Circular;
- financial information of Jasco comprising:
  - annual integrated reports and audited annual financial statements for the financial years (“FY”) ended 30 June 2022 (“FY22”), 2021, 2020, 2019 and 2018;
- financial information of each of Jasco’s operating divisions, namely; Communications Solutions, Intelligent Solutions, Security and Fire, Manufacturing, Power Solutions as well Jasco’s head office function (“Head Office”) (together “Divisions”) comprising:
  - five-year forecast covering the years ended 30 June 2023 to 30 June 2027; and
  - Management accounts for the period ended 30 June 2022 and 31 January 2023;
- the rationale for the Offer, as set out in the Firm Intention Announcement and Circular and based on discussions with executive management of Jasco and their professional advisors;
- discussions with executive management of Jasco regarding the historical and forecast financial information of Jasco;
- discussions with executive management of Jasco on prevailing market, economic, legal and other conditions which may affect underlying value; and
- publicly available information relating to Jasco that we deemed to be relevant, including company announcements and media articles.

The information above was secured from:

- executive management of Jasco and their professional advisors; and
- third-party sources, including information related to publicly available economic, market and other data which we considered applicable to, or potentially influencing Jasco.

## **Procedures**

In arriving at our opinion, we have undertaken the following procedures and taken into account the following factors:

- Reviewed the terms and conditions of the Offer, as set out in the Firm Intention Announcement and Circular.
- Reviewed the audited and unaudited financial information related to Jasco and the Divisions.
- Reviewed and obtained an understanding from executive management of Jasco as to the forecasts of each of the Divisions for the forecast financial periods. Considered the forecasts and the basis of the assumptions therein including the prospects of the Divisions. This review included an assessment of the reasonableness of the outlook assumed based on discussions with executive management of Jasco and an assessment of the achievability thereof by considering historical information as well as macroeconomic and sector-specific data.
- Where relevant, representations made by executive management of Jasco were corroborated to source documents or independent analytical procedures were performed by us, to examine and understand the industries in which the Divisions operate, and to analyse external factors that could influence the businesses of Jasco and the Divisions.
- Performed a sum of the parts ("SOTP") valuation of Jasco as well as a Share, as detailed further in the 'Valuation approach' section below.
- Evaluated the relative risks associated with the Divisions and the sectors in which the Divisions operate.
- Held discussions with the executive management of Jasco as to Jasco's long-term strategy and considered such other matters as we consider necessary, including assessing the prevailing economic and market conditions and trends as well as the rationale set out in the Firm Intention Announcement and Circular.
- Reviewed certain publicly available information relating to Jasco and sectors in which the Divisions operate 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 and knowledge of the sectors in which the Divisions operate generally.

## **Assumptions**

We arrived at our opinion based on the following assumptions that:

- the Offer will have the legal, accounting and taxation consequences described in discussions with, and materials furnished to us by representatives of Jasco or their professional advisors; and
- reliance can be placed on the financial information of Jasco and the Divisions.

## **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 determining the extent to which representations from management were confirmed by documentary evidence as well as our understanding of Jasco and the economic environment in which the business operates.

## **Limiting conditions**

This Fairness Opinion is provided to the Independent Board in connection with and for the purposes of the Offer. The Fairness Opinion does not purport to cater for each individual Offeree's perspective, but rather that of the general body of Offerees.

Individual Offeree's decisions regarding the Offer may be influenced by such individual Offeree's particular circumstances and accordingly individual Offerees should consult an independent adviser if in any doubt as to the merits or otherwise of the Offer.

We have relied upon and assumed the accuracy of the information provided to 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 executive management of Jasco, 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.

We have also assumed that the Offer will have the legal consequences described in discussions with, and materials furnished to us by executive management and advisors of Jasco, and we express no opinion on such consequences.

Our opinion is based on current economic, regulatory environment and market as well as other conditions. Subsequent developments may affect our opinion, and we are under no obligation to update, review or re-affirm our opinion based on such developments.

### Independence, competence and fees

We confirm that we, nor any person related to us (as contemplated in the Listings Requirements), have any relationship with Jasco or with any party involved in the Offer as contemplated in paragraph 5.12 of schedule 5 of the Listings Requirements and have not had such relationship within the immediately preceding two years.

Furthermore, we confirm that our total professional fees of R400 000 are not contingent upon the success of the Offer. Our fees are not payable in Shares.

### Valuation approach

We performed a sum of the parts valuation of a Share based on an aggregation of:

- divisions – the valuation of individual divisions was determined using a discounted cash flow (“DCF”) method as a primary approach and a capitalisation of maintainable earnings method as a secondary approach;
- assessed loss – the valuation of the assessed loss was determined using a DCF approach based on the forecast results of the individual entities to which the assessed loss was attributable; and
- other financial assets and financial liabilities were valued based on their carrying values.

The DCF valuations take into account forecast cash flows from 1 February 2023 onwards.

Key internal value drivers to the DCF comprise revenue growth, gross profit margins, earnings before interest, tax depreciation and amortisation (“EBITDA”) margins, the discount rate (represented by the weighted average cost of capital), working capital requirements and capital expenditure requirements.

External value drivers to the DCF comprise growth in operating expenses.

The DCF valuations are based on following key assumptions per division, excluding Security and Fire which is in the process of being discontinued in the financial year ending 30 June 2023:

Division	Revenue growth <sup>1</sup>	Gross profit margin <sup>2</sup>	Operating expenses growth <sup>3</sup>	Net working capital <sup>4</sup>	Capital expenditure <sup>5</sup>	Terminal period growth rate <sup>6</sup>	WACC <sup>7</sup>
Communication Solutions	7.2%	36.6%	5.6%	17.2%	0.2%	4.5%	21.0%
Intelligent Solutions	10.7%	32.2%	5.3%	(6.0%)	0.7%	4.5%	21.0%
Manufacturing	18.2%	16.0%	4.6%	12.4%	0.1%	4.5%	21.5%
Power Solutions	21.0%	14.9%	3.4%	4.9%	0.1%	4.5%	21.5%
Head Office	n/a	n/a	5.3%	n/a	n/a	4.5%	21.1%

1 Compound annual growth rate (“CAGR”) in revenue over the forecast period (FY23 to FY27)

2 Sustainable gross profit margins (terminal year gross margin)

3 CAGR in operating expenses over the forecast period (FY23 to FY27)

4 Average net working capital as a percentage of revenue over the forecast period

5 Average capital expenditure as a percentage of revenue over the forecast period

6 Based on forecast long-term consumer price index inflation for South Africa

7 After adjusting for the other factors detailed in the ‘Other significant factors that led to the opinion’ section below

The discount rates have determined using specific betas per Division based on the betas observed for listed peers. The following unsystematic risk adjustments (which includes a small stock premium and specific risk premium) have been added to the discount rates per division to address the risk factors noted below:

- Communication Solutions: 5.2% small stock premium to reflect the smaller size and scale of the business relative to listed peers and also to address the going-concern risk detailed under the 'Other significant factors that led to the opinion' section below.
- Intelligent Solutions: 5.2% small stock premium to reflect the smaller size and scale of the business relative to listed peers and also to address the going-concern risk detailed under the 'Other significant factors that led to the opinion' section below.
- Manufacturing: 5.2% small stock premium to reflect the smaller size and scale of the business relative to listed peers and also to address the going-concern risk detailed under the 'Other significant factors that led to the opinion' section below and a further 3% specific risk premium to address the forecast turnaround in the division from loss making in the financial year ended 30 June 2022, albeit a plant level strike contributed to the losses incurred in FY22.
- Power Solutions: 5.2% small stock premium to reflect the smaller size and scale of the business relative to listed peers and also to address the going-concern risk detailed under the 'Other significant factors that led to the opinion' section below and a further 3% specific risk premium to address the substantial expected increase in revenue and profitability of the division as a result of expected new orders.

Salient features of the forecasts include:

- Communication Solutions
  - Communication Solutions is comprised of four separate components which include Webb Industries, Carrier Solutions, Datavoice and RAMM Technologies.
  - The business operations of Communications Solutions are project based which increase forecast risk.
  - Revenue growth throughout the forecast period is expected to be primarily driven through the performance of Webb which contributed c.78.0% of Communications Solutions revenue over the forecast period. Revenue is expected to grow at a CAGR of c.7.2% during the forecast period.
- Intelligent Solutions
  - Intelligent Solutions is comprised of three separate components which include Enterprise, Broadcast and HiSites.
  - The business operations of Intelligent Solutions are project based which increases forecast risk with the exception of HiSites which has a high proportion of recurring revenues at higher margins.
  - Revenue is expected to grow at a CAGR of c.10.7% and is expected to be achieved during the forecast period through growth within Enterprise and Broadcast as a result of a new contact centre customer and major Broadcast customer's digitisation project.
- Manufacturing
  - Manufacturing has historically operated in a challenging environment following a protracted strike in 2022 and a turnaround is expected to be achieved during the forecast period due to increased orders from existing customers as well as the receipt of orders from new customers.
  - A slow recovery in volumes is expected, particularly in respect of key customers, resulting in lower revenue in year one of the forecast. Volumes and revenue are expected to have recovered by year two of the forecast and are then expected to grow at c.6.0% per annum thereafter. Excess capacity is expected to be used due to the supply chain constraints currently in the market as well as the lead time required to bring additional capacity online. Consequently, revenue is expected to grow at a CAGR of c.18.2% over the forecast period.
  - Gross margin is expected to be lower than the sustainable levels in the first year of the forecast due to the impact of the sales mix and is expected to improve thereafter as a result of the impact of operating gearing on higher volumes. A sustainable gross margin of c.16.0% is expected to be achieved by the end of the forecast period.
  - Overhead expenses are expected to decline in year one of the forecast due to the impact of strike action and are expected to increase at a CAGR of c.4.6% thereafter.
  - Working capital requirements are expected to increase as a result of the expected increase in production volumes as well as customer diversification.
  - Capital expenditure is expected to be limited during the forecast period due to excess capacity within the existing production fleet.

- Power Solutions
  - Power Solutions has historically operated in a challenging environment with changes in management in 2021 and a turnaround in 2022 which is expected to continue during the forecast period as a result of significantly improved market demand.
  - The impact of load-shedding implemented by Eskom is expected to drive significant revenue growth of c.79.4% and c.61.0% in year one of the forecasts and year two of the forecasts. For the remainder of the forecast period, revenue is expected to grow by c.10.0% per annum. Consequently, revenue is expected to grow at a CAGR of c.21.0% over the forecast period.
  - A sustainable gross margin of c.14.9% is expected to be achieved throughout the forecast period.
  - Overhead expenses are expected to increase by c.41.5% in year one of the forecast due to an increase in the technical and sales resources and are expected to decrease by c.1.1% in year two of the forecast and then increase by c.5.0% per annum for the remainder of the forecast.
  - Capital expenditure is expected to be limited during the forecast period due to the existing production fleet having excess capacity.
- Head Office
  - The Head Office division is effectively a cost centre which includes, *inter alia*, listing fees and related costs, head office payroll, the head office lease and borrowing costs.
  - The forecast has been prepared based on the assumption that Jasco will remain listed therefore, the listing fees and related expenses are expected to be incurred throughout the forecast period.
  - The head office costs are expected to increase by c.4.9% per annum from year two of the forecast.

Additionally, sensitivity analyses were performed considering key value drivers, being:

- long-term growth rates: The sensitivity analysis was performed by increasing and decreasing the terminal growth rate by a maximum of 0.5%; and
- discount rates: The sensitivity analysis was performed by increasing and decreasing the terminal growth rate by a maximum of 0.5%.

The sensitivity analysis did not indicate a sufficient effect in the valuation of a Share to alter our opinion in respect of the Offer.

### **Other significant factors that led to the opinion**

In arriving at our opinion, we have considered, in addition to the procedures referred to above, other key qualitative factors, which are set out below:

Per the annual report of Jasco for the year ended 30 June 2022, it was noted that Jasco had accumulated losses of R268 million as at 30 June 2022 after a loss of R15.9 million for the year ended 30 June 2022. Jasco's current ratio was 1.40:1 as at 30 June 2022. The current assets of Jasco exceeded current liabilities by R69 million as at 30 June 2022.

Consequently, the audit report of Jasco contained an unqualified opinion with an emphasis of matter noting that the above events and conditions indicate that a material uncertainty exists that may cast doubt on Jasco's ability to continue as a going-concern and, therefore, that it may be unable to realise its assets and discharge its liabilities in the normal course of business.

Per Jasco's unaudited interim results for the six months to 31 December 2022, it was noted that the Company incurred an earnings per share ("EPS") loss from continuing operations of 6.6 cents per share compared to the 1.7 cents per share for the corresponding period. It was further noted that the Company incurred a headline earnings per share ("HEPS") loss from continuing operations of 6.4 cents per share compared to the 1.7 cents for the previous corresponding period.

Per the unaudited interim results for the six months to 31 December 2022, interest-bearing liabilities of Jasco amounted to R110.4 million at 31 December 2022 including the short-term portion of R110.3 million. Including the cash on hand of R32.3 million, the net debt: equity ratio (excluding lease liabilities) amounted to 1.27 times (based on the most likely equity value derived from our valuation below). The net debt: equity ratio (excluding lease liabilities) deteriorated significantly from June 2022 due to the operating losses reported for the six months and is higher than observed net debt: equity ratios for listed peers.

We note that the year-to-date January 2023 results are below budget by 37.9% at the gross profit level and that the Company generated negative earnings before interest and tax ("EBIT") as compared to the positive EBIT expected in the budget mainly due to under performance in the Security and Fire, Manufacturing and Communication Solutions Divisions.



## Valuation results

In undertaking the valuation exercise above, we have determined a valuation range of 15 cents to 19 cents per Share, with a most likely value of 17 cents per Share.

We note that the above range results in variance of 28.0% between the lower and upper values, however, the variance between the upper and lower enterprise values is 10.6%. Therefore, the wide value per Share range is due to the low relative valuation in absolute cents per share terms, high debt levels and the high number of shares in issue.

## Approach to reasonableness of the Partial Offer

The Offer represents a premium of:

- 14.3% to the closing price of 14 cents per Share on 2 December 2022, being the date of the first cautionary announcement in respect of the Offer (“Pre-cautionary Date”); and
- 4.2 % to the volume weighted average price (“VWAP”) of 15 cents per Share for the 30-day period ended on the “Pre-cautionary Date”).

## Opinion

The Offer Consideration represents a premium of 14.3% to the 30-day VWAP per Share on the JSE on up to the Pre-cautionary Date and within the suggested range calculated from our valuation. The rationale for the Delisting is set out in paragraph 3 of the Circular. We are not aware of any material adverse effects of the Transaction.

BDO Corporate Finance has considered the proposed terms and conditions of the Offer in respect of the Offer Consideration.

Based upon and subject to the conditions set out herein, BDO Corporate Finance is of the opinion that the terms and conditions of the Offer and the Offer Consideration are fair and reasonable to Shareholders.

For purposes of paragraph 1.15(d) of the Listings Requirements, BDO Corporate Finance confirms that it is of the opinion that the Offer is fair insofar as the Shareholders are concerned.

We are not aware of any factors that are difficult to quantify or are unquantifiable in forming our opinion in respect of the Offer.

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 Offer 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.

## Consent

We hereby consent to the inclusion of this Fairness Opinion, in whole or in part, and references thereto in the Circular and any other announcement or document pertaining to the Offer, in the form and context in which they appear.

Yours faithfully

**BDO Corporate Finance Proprietary Limited**

**Nick Lazanakis**

*Director*

*52 Corlett Drive*

*Illovo*

*2196*

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**AUDITED HISTORICAL FINANCIAL INFORMATION OF JASCO FOR THE FINANCIAL YEARS ENDED 30 JUNE 2022, 30 JUNE 2021 AND 30 JUNE 2020**

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**EXTRACTS OF AUDITED CONSOLIDATED SUMMARISED HISTORICAL FINANCIAL INFORMATION OF JASCO ELECTRONICS HOLDINGS LIMITED FOR THE FINANCIAL YEARS ENDED 30 JUNE 2022, 30 JUNE 2021 AND 30 JUNE 2020**

The audited consolidated summarised results for the three financial years ended 30 June 2022, 30 June 2021 and 30 June 2020 of Jasco Electronics Holdings Limited, have been extracted and compiled from the full set of audited consolidated annual financial statements for the three financial years ended 30 June 2022, 30 June 2021 and 30 June 2020, which are available on the Company's website at [www.jasco.co.za](http://www.jasco.co.za) and at its registered address.

The preparation of the audited consolidated summarised results for the three financial years ended 30 June 2022, 30 June 2021 and 30 June 2020 is the responsibility of the Jasco Electronics Holdings Limited Directors.

**CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2022**

		<b>2022</b>	<b>Restated*</b>	
	<b>Note</b>	<b>R'000</b>	<b>2021</b>	<b>2020</b>
			<b>R'000</b>	<b>R'000</b>
<b>Continuing operations</b>				
Revenue	5	662 340	654 921	663 095
Cost of sales	6	(488 534)	(451 750)	(484 126)
<b>Gross profit</b>		<b>173 806</b>	<b>203 171</b>	<b>178 969</b>
Other income	7	28 236	8 729	12 594
Selling and distribution costs	7	(1 107)	(1 692)	(2 148)
Administrative expenses	7	(145 500)	(141 611)	(179 123)
Other expenses	7	(50 977)	(62 985)	(91 566)
Expected credit loss	32.6	(1 283)	(312)	(1 636)
<b>Operating profit</b>		<b>3 175</b>	<b>5 300</b>	<b>(82 910)</b>
Finance income	7	963	1 189	2 368
Finance costs	7	(17 498)	(25 149)	(30 276)
Equity accounted share of profit from associates	14	–	–	33
<b>(Loss)/profit before taxation</b>	7	<b>(13 360)</b>	<b>(18 660)</b>	<b>(110 785)</b>
Taxation	8	(3 908)	(4 671)	(5 318)
<b>(Loss)/profit from continuing operations</b>		<b>(17 268)</b>	<b>(23 331)</b>	<b>(116 103)</b>
<b>Profit from discontinued operations</b>	4	<b>1 338</b>	<b>32 423</b>	<b>13 468</b>
<b>(Loss)/profit for the year</b>		<b>(15 930)</b>	<b>9 092</b>	<b>(102 635)</b>
<b>Other comprehensive income</b>		<b>–</b>	<b>–</b>	<b>–</b>
<b>Total comprehensive (loss)/income for the year</b>		<b>(15 930)</b>	<b>9 092</b>	<b>(102 635)</b>
(Loss)/profit and total comprehensive (loss)/income for the year attributable to:				
– non-controlling interests	3	380	2 623	8 228
– ordinary shareholders of the parent		(16 310)	6 469	(110 863)
		(15 930)	9 092	(102 635)
(Loss)/profit and total comprehensive (loss)/income for the year attributable to:				
Equity holders of the company		(16 310)	6 469	(110 863)
– (Loss)/profit for the year from continuing operations		(17 648)	(23 367)	(116 269)
– Profit for the year from discontinued operations		1 338	29 836	5 406
Non-controlling interest:	3	380	2 623	8 228
– Profit for the year from continuing operations		380	36	166
– Profit for the year from discontinued operations		–	2 587	8 062
Earnings and diluted earnings per ordinary share (cents):				
– From continuing operations		(6.4)	(10.4)	(51.8)
– From discontinued operations	4	0.5	13.3	2.4
	9	(5.9)	2.9	(49.4)

\* Restated for discontinued operations

**CONSOLIDATED STATEMENTS OF FINANCIAL POSITION FOR THE YEAR ENDED 30 JUNE 2022**

	Note	2022 R'000	2021 R'000	2020 R'000
<b>Assets</b>				
<b>Non-current assets</b>				
		123 963	179 578	327 277
Plant and equipment	10	30 179	38 567	74 675
Right-of-use assets	11	19 625	52 199	106 124
Intangible assets	12	57 023	67 910	117 772
Investment in subsidiaries	13	–	–	–
Deferred income tax	8	15 771	18 256	21 981
Non-current assets recognised for costs incurred to fulfil contracts	5	–	9	1 664
Other non-current assets	14	1 365	2 637	5 061
<b>Current assets</b>				
		239 131	248 296	309 208
Inventories	15	74 152	87 482	101 113
Contract assets	5	1 039	1 574	11 927
Trade and other receivables	16	121 192	118 797	159 646
Amounts owing by group companies	13	–	–	–
Taxation refundable		11 049	12 790	11 938
Short-term portion of other non-current assets	14	1 838	6 689	3 258
Cash and cash equivalents	17	29 861	20 964	21 326
<b>Total assets</b>				
		363 094	427 874	636 485
<b>Equity and liabilities</b>				
<b>Shareholders' equity</b>				
		72 925	41 607	59 626
Share capital	18.2	328 531	281 283	281 283
Treasury shares	19	(3 083)	(3 083)	(3 083)
Non-distributable reserves	20	4 397	4 397	4 848
Retained loss		(268 486)	(252 176)	(257 155)
<i>Equity attributable to equity holders of the parent</i>		61 359	30 421	25 893
Non-controlling interests <sup>3</sup>		11 566	11 186	33 733
<b>Non-current liabilities</b>				
		119 824	59 903	121 743
Interest-bearing liabilities	21	98 900	205	6 218
Lease liabilities	11	17 503	58 501	110 871
Contract liabilities	5	2 115	14	2 333
Deferred income tax	8	1 306	1 183	2 321
<b>Current liabilities</b>				
		170 345	326 364	455 116
Trade and other payables	22	100 631	98 211	172 446
Provisions	23	3 585	1 372	5 891
Amounts owing to group companies	13	–	–	–
Taxation		590	4 256	4 970
Contract liabilities	5	41 171	50 043	42 509
Short-term borrowings	24	17 161	153 419	203 020
Lease liabilities	11	7 207	19 063	26 280
<b>Total equity and liabilities</b>				
		363 094	427 874	636 485

**CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2022**

<b>Group</b>	<b>Note</b>	<b>Share Capital R'000</b>	<b>Treasury shares R'000</b>	<b>Non-distributable reserves R'000</b>	<b>Retained earnings/(loss) R'000</b>	<b>Total parent share holders' equity R'000</b>	<b>Non-controlling interest R'000</b>	<b>Total equity R'000</b>
		<b>Note 18</b>	<b>Note 19</b>	<b>Note 20</b>			<b>Note 3</b>	
<b>Balance as at 30 June 2019</b>		<b>281 283</b>	<b>(3 203)</b>	<b>7 109</b>	<b>(148 495)</b>	<b>136 694</b>	<b>28 730</b>	<b>165 424</b>
Treasury shares – Share Incentive Trust	20	–	120	–	–	120	–	120
Equity-settled share-based payment	21	–	–	187	–	187	–	187
Disposal of companies	3	–	–	–	–	–	38	38
Recycling of non-distributable reserves (including transactions with non-controlling interests)	21	–	–	(2 448)	2 448	–	–	–
Dividend paid to non-controlling shareholder		–	–	–	–	–	(3 263)	(3 263)
Transactions with non-controlling shareholders		–	–	–	(245)	(245)	–	(245)
Total comprehensive (loss)/ income		–	–	–	(110 863)	(110 863)	8 228	(102 635)
(Loss)/ Profit for the year		–	–	–	(110 863)	(110 863)	8 228	(102 635)
Other comprehensive income		–	–	–	–	–	–	–
<b>Balance as at 30 June 2020</b>		<b>281 283</b>	<b>(3 083)</b>	<b>4 848</b>	<b>(257 155)</b>	<b>25 893</b>	<b>33 733</b>	<b>59 626</b>
Disposal of companies	3	–	–	–	–	–	(27 111)	(27 111)
Recycling of non-distributable reserves (including transactions with non-controlling interests)	20	–	–	(451)	(1 490)	(1 941)	1 941	–
Total comprehensive income		–	–	–	6 469	6 469	2 623	9 092
Profit for the year		–	–	–	6 469	6 469	2 623	9 092
Other comprehensive income		–	–	–	–	–	–	–
<b>Balance as at 30 June 2021</b>		<b>281 283</b>	<b>(3 083)</b>	<b>4 397</b>	<b>(252 176)</b>	<b>30 421</b>	<b>11 186</b>	<b>41 607</b>
Rights issue		47 248	–	–	–	47 248	–	47 248
Total comprehensive (loss)/income		–	–	–	(16 310)	(16 310)	380	(15 930)
(Loss)/profit for the year		–	–	–	(16 310)	(16 310)	380	(15 930)
Other comprehensive income		–	–	–	–	–	–	–
<b>Balance as at 30 June 2022</b>		<b>328 531</b>	<b>(3 083)</b>	<b>4 397</b>	<b>(268 486)</b>	<b>61 359</b>	<b>11 566</b>	<b>72 925</b>

	Note	Share Capital R'000 Note 18	Treasury shares R'000 Note 19	Non-distributable reserves R'000 Note 20	Retained earnings/(loss) R'000	Total parent share holders' equity R'000	Non-controlling interest R'000 Note 3	Total equity R'000
<b>Company</b>								
<b>Balance as at 30 June 2020</b>		<b>281 283</b>	<b>-</b>	<b>14</b>	<b>(276 474)</b>	<b>4 823</b>	<b>-</b>	<b>4 823</b>
Recycling of non-distributable reserves	20	-	-	(14)	14	-	-	-
Total comprehensive income		-	-	-	41 473	41 473	-	41 473
Profit for the year		-	-	-	41 473	41 473	-	41 473
Other comprehensive income		-	-	-	-	-	-	-
<b>Balance as at 30 June 2021</b>		<b>281 283</b>	<b>-</b>	<b>-</b>	<b>(234 987)</b>	<b>46 296</b>	<b>-</b>	<b>46 296</b>
Rights issue		47 248	-	-	-	47 248	-	47 248
Total comprehensive income		-	-	-	1 519	1 519	-	1 519
Profit for the year		-	-	-	1 519	1 519	-	1 519
Other comprehensive income		-	-	-	-	-	-	-
<b>Balance as at 30 June 2022</b>		<b>328 531</b>	<b>-</b>	<b>-</b>	<b>(233 468)</b>	<b>95 063</b>	<b>-</b>	<b>95 063</b>

**CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2022**

	Note	2022 R'000	2021 R'000	2020 R'000
<b>Cash flows from operating activities</b>		<b>16 502</b>	<b>(13 273)</b>	<b>(7 424)</b>
Cash receipts from customers		692 154	668 893	992 815
Cash paid to suppliers and employees		(655 469)	(650 034)	(954 880)
Cash generated from operations	25.1	36 685	18 859	37 935
Interest received		836	1 337	3 523
Interest paid		(17 824)	(25 900)	(34 726)
Taxation (paid)/refunded	25.2	(3 195)	(7 569)	(10 893)
Dividend received		–	–	–
Dividend paid to non-controlling shareholder		–	–	(3 263)
<b>Cash flows from investing activities</b>		<b>5 420</b>	<b>73 268</b>	<b>(15 402)</b>
Purchase of plant and equipment	25.3	(1 303)	(4 603)	(7 330)
Proceeds on disposal of plant and equipment		237	1 135	520
Additions to right-of-use assets	11	–	5	(2)
Additions to intangibles	12	(16)	(19)	(8 686)
Disposal of subsidiary, net of cash disposed of	25.4	(86)	70 467	(74)
Acquisition of business operation	12	–	(250)	–
Increase in loan to associate		–	–	(2 554)
Dividend received from associate		–	3 233	–
Decrease in loan amounts owing by group company		–	–	–
Increase in loan amounts owing by group company		–	–	–
Receipts from other non-current loans	14	6 588	3 300	2 724
<b>Cash flows from financing activities</b>		<b>(12 911)</b>	<b>(57 628)</b>	<b>(24 517)</b>
Non-current loans repaid	21	(3 318)	(43 255)	(10 319)
Cash proceeds from rights issue		7 248	–	–
Leases – principal payments	11	(16 841)	(14 373)	(14 198)
Increase in loan amounts owing to group companies		–	–	–
<b>Net decrease in cash and cash equivalents</b>		<b>9 011</b>	<b>2 367</b>	<b>(47 343)</b>
Cash and cash equivalents at beginning of year		20 372	17 794	64 769
Revaluation of foreign cash balances		–	211	368
<b>Net cash and cash equivalents at end of year</b>		<b>29 383</b>	<b>20 372</b>	<b>17 794</b>
Cash and cash equivalents	17	29 861	20 964	21 326
Bank overdrafts	24	(478)	(592)	(3 532)
<b>Net cash and cash equivalents at end of year</b>		<b>29 383</b>	<b>20 372</b>	<b>17 794</b>

## UNAUDITED INTERIM RESULTS OF JASCO FOR THE 6 MONTHS ENDED 31 DECEMBER 2022

### INTRODUCTION

Jasco's operations continued to experience tough conditions for the six months to 31 December 2022, with a number of external factors exacerbating the internal challenges.

Internal challenges included:

- Loss in volumes in Manufacturing. The after-effects of a plant-level strike continued to have an impact after large appliance customers were forced to find alternative local plastic moulders to ensure continuity of their production. This led to significant amounts of raw materials sold at very low margins;
- Delays on expected orders from blue-chip customers in Communication Solutions and Intelligent Solutions (received late in Q2); and
- The closure of the Security & Fire business in October 2022 following continued losses and significant misrepresentations by the divisional management team.

The external factors, which are expected to continue into 2023, include:

- The rising interest rate environment, which increases the cost of servicing debt;
- The negative impact of higher levels of load-shedding by Eskom, which severely impacts productivity and the cost base with spiralling diesel costs; and
- Higher international transport costs and shipping delays at major ports of entry.

In these conditions, Jasco continued to implement corrective actions. These included:

- Continued tight cost control throughout the group;
- Excellent working capital management in all divisions; and
- Securing a healthy order book with orders on hand of R232,9 million at 31 December 2022 compared to R147,4 million at 30 June 2022.

To assist the group implement the corrective actions, Community Investment Holdings (CIH) purchased the Midrand head office property in July 2022 and CIH granted a 12-month lease payment holiday in September 2022.

### FINANCIAL OVERVIEW

#### Context to the results

Jasco placed its subsidiary, MV Fire Protection Services Proprietary Limited (representing the Security & Fire Solutions division), in voluntary liquidation on 17 October 2022. The derecognition of the assets and liabilities on the loss of control of the subsidiary resulted in a gain of R5,9 million.

In addition, Jasco disposed of Jasco Property Solutions Proprietary Limited (Property Solutions) and Property Technology Management (PTM) in the previous financial year. These businesses are disclosed as discontinued operations. The December 2021 and June 2022 results have been restated to ensure like-for-like comparisons.

#### Statement of comprehensive income

Revenue of R276,1 million was 14% lower (Dec 2021: R322,5 million).

The main contributors to this performance were:

(R'million)	Dec 2022	Dec 2022	% Change
Communication Solutions	<b>147.8</b>	165.0	(10.4)
Intelligent Solutions	<b>88.8</b>	79.5	11.8
Manufacturing	<b>42.6</b>	78.5	(45.8)



The decrease in revenue was mainly due to lower demand for specialised communications cable in Communication Solutions and the loss of customer orders in Manufacturing following the protracted strike in F2022. Refer to the operational segmental review for more information.

Profit before interest and taxation (PBIT or operating profit) deteriorated by 173% from R14,5 million to a loss of R10,7 million. This was due to the lower volumes, as well as an increase in the cost recognised relating to the new lease of the head office property in Midrand. It includes the impairment of the goodwill related to Manufacturing of R0,6 million.

Net finance costs of R11,7 million increased from the corresponding period's R8,9 million due to the higher interest charge related to the new lease and the increase in the interest rates on the Bank of China facility.

The taxation expense was R1,4 million (Dec 2021: R0,9 million). The effective tax rate differs from the statutory rate of 28%, as the group includes a number of entities where a deferred tax asset is not recognised on losses incurred.

The loss after tax from discontinued operations included the following:

<b>(R'000)</b>	<b>Dec 2022</b>	<b>Dec 2022</b>	<b>June 2022</b>
Operating loss after tax – Security & Fire	<b>(8 655)</b>	(3 448)	(27 275)
Gain on loss of control – Security & Fire	<b>5 903</b>	–	–
Operating loss after tax – Property Solutions	–	(100)	(250)
Profit on disposal after tax – Property Solutions	–	–	1 588
Operating loss after tax – PTM	<b>3</b>	(114)	–

Profit attributable to ordinary shareholders decreased to a loss of R23,8 million from a profit of R4,7 million. Including the operating loss of R2,8 million (Dec 2021: R3,7 million) from the discontinued operation, the total loss attributable to ordinary shareholders decreased to R26,7 million (Dec 2021: profit of R0,3 million).

The weighted average number of shares in issue for the period increased to 362 571 654 shares from 224 446 129 shares at 31 December 2021 following the rights issue in February 2022.

Earnings per share (EPS) from continuing operations decreased to a loss of 6.6 cents from a profit of 1.7 cents. EPS from total operations decreased from 0.1 cents to a loss of 7.4 cents.

Headline earnings per share (HEPS) from continuing operations decreased from a profit of 1.7 cents to a loss of 6.4 cents and from a profit of 0.1 cents to a loss of 8.7 cents for total operations.

The difference between earnings and headline earnings in this period relates to an after tax loss on the disposal of fixed assets, the impairment of the goodwill, as well as the gain recognised on the loss of control of MV Fire Protection Services.

## **Statement of financial position**

### Non-current assets and liabilities

Plant and equipment of R27,3 million (Dec 2021: R34,3 million and June 2022: R30,2 million) decreased mainly due to depreciation of R4,4 million and disposals of R0,7 million. Capital expenditure of R1,9 million (Dec 2021: R0,4 million) mainly related to replacement expenditure across all business units and the head office.

Right-of-use assets of R108,5 million (Dec 2021: R44,4 million and June 2022: R19,6 million) increased on the recognition of the new lease entered into with CIH.

Intangible assets of R52,7 million (Dec 2021: R62,0 million and June 2022: R57,0 million) decreased due to the amortisation charge of R3,6 million and the impairment of the Manufacturing-related goodwill of R0,6 million.

The net deferred tax asset decreased from R14,5 million at 30 June 2022 to R12,5 million at 31 December 2022 based on an individual assessment of each legal entity's profitability.

Other non-current financial assets (including the short-term portion of R0,7 million) of R1,4 million (Dec 2021: R4,9 million) decreased from R3,2 million at 30 June 2022 and consists mainly of the outstanding contingent consideration for the disposals of PTM and Property Solutions. The decrease relates mainly to the final settlement received on a finance lease receivable for a call centre upgrade delivered by the Enterprise business to a major customer in 2017.

The interest-bearing liabilities of R110,4 million include the short-term portion of R110,3 million (Dec 2021: R157,4 million and June 2022: R116,1 million). This decreased following the consistent repayment on the Bank of China loan and the settlement of the project funding loan that was used to assist the Security & Fire division with the execution of projects. The remaining balance mainly relates to the group's asset financing and a short-term loan obtained to fund the group's insurance premium.

Under the Bank of China loan, the company, including the major subsidiaries, are required to comply with the following financial covenants:

- Debt to equity ratio to not exceed 150%. (The actual was 117%).
- Current and quick ratios to be above 1.2:1 and 0.80:1 respectively. The actuals were 1.5 and 0.9.
- Interest cover to be maintained at a minimum of 1.5 times. The actual was -1.6 times.

Due to the losses incurred during the reporting period, the group breached its interest cover covenant on the Bank of China agreement. Although this was condoned subsequent to the reporting period, the loan was classified as current at 31 December 2022.

The IFRS 16 lease liabilities of R121,4 million (Dec 2021: R67,5 million) increased from R24,7 million at 30 June 2022 on the recognition of the new lease entered into with CIH.

Including the cash on hand of R32,3 million, the net debt: equity ratio (excluding lease liabilities) deteriorated to 168.6% from 118.2% in June 2022 due to the operating losses reported for the six months.

#### Working capital

Inventories on hand were R80,0 million (Dec 2021: R82,7 million). This increased from R74,2 million at 30 June 2022, to enable the fulfillment of orders received during the latter part of H1.

Trade and other receivables (including contract assets) of R97,8 million (Dec 2021: R127,5 million) decreased from R122,2 million at the June 2022 year-end, mainly due to the lower volumes combined with good collections. The age profile of the debtors' book remains pleasing, with isolated incidents of delayed payments across the businesses.

Non-interest-bearing liabilities of R108,1 million (Dec 2021: R108,9 million) increased from R104,2 million in June 2022 in line with the increase in inventory.

The contract liabilities (or deferred maintenance revenue) of R38,1 million (Dec 2021: R31,1 million) decreased from R43,3 million in June 2022. The decrease was due to revenue relating to the income received in advance being recognised as the services were rendered over the six-month period. The income relates to prepaid service level agreements from blue-chip customers, predominantly in Enterprise Communications.

#### Statement of cash flows

The statement of cash flows reflects cash utilised in operations before working capital changes of R1,7 million compared to R28,2 million generated in December 2021. Working capital changes reflect an inflow of R23,6 million (Dec 2021: outflow of R10,9 million). This mainly relates to the decrease in trade and other receivables.

The net interest payment of R7,5 million (Dec 2021: R9,3 million) decreased due the payment holiday received from CIH on the new lease. Payments to the Bank of China increased due to the increasing interest rate. Income tax payments decreased slightly to R0,8 million from R1,0 million.

Consequently, total cash inflows from operating activities of R13,6 million improved compared to an inflow of R7,1 million recorded in December 2021.

Investing activities saw an outflow of R0,6 million (Dec 2021: inflow of R4,2 million), primarily due to additions to fixed assets, offset by receipts on other non-current assets, as mentioned under the statement of financial position.

The financing activities outflow of R10,0 million (Dec 2021: R6,3 million) relates to the repayment on the finance leases and the Bank of China term loan.

Accordingly, the closing cash balance of R32,3 million increased from R29,4 million in June 2022 (Dec 2021: R26,0 million).

## OPERATIONAL SEGMENTAL REVIEW

The current group structure is:

<b>Communications Solutions</b>	Webb Industries, Datavoice and RAMM Technologies
<b>Intelligent Solutions</b>	Enterprise Communications, Broadcast, Hi-Sites, Co-location Solutions and Power Solutions
<b>Manufacturing</b>	

### Communication Solutions

Communication Solutions delivers telecommunications products and services in the access, transmission and operational support systems markets for telecommunications networks across southern Africa.

Webb Industries is the largest supplier of ancillary radio frequency products in sub-Saharan Africa. Datavoice provides voice recording software applications to the local and international market and RAMM Technologies, a partly-owned subsidiary, offers real-time asset tracking and management.

Period under review

Communication Solutions contributed 52.9% of group revenue (Dec 2021: 51.1%). Revenue decreased by 10.4% from R165,0 million to R147,8 million. This was due to lower demand in Webb Industries from one of the major telecommunication operators for specialised communications cable. Operating profit decreased by 46.1% from R24,1 million to R13,0 million.

Outlook

Webb Industries is expected to continue benefiting from the increased 5G investment spend by major telecommunications operators in South Africa and the rest of Africa. Niche growth areas, such as regional Tier 2 telecommunications providers investing in their networks, are also expected to continue growing.

Datavoice expects ongoing income generation from a key international channel partner in the Middle East, Eastern Europe and Asia. New product development for two-way radio networks has opened new markets in foreign territories, with a first order in Central America.

RAMM Technologies will remain focused on diversification of its customer base, with a particular focus on asset management in the corporate sector.

### Intelligent Solutions

Intelligent Solutions focuses on ICT solutions for the blue-chip corporate sector and state-owned entities. It delivers end-to-end technology solutions to meet both premises and cloud-based customer requirements.

Period under review

Intelligent Solutions contributed 31.8% of group revenue (Dec 2021: 24.6%). Revenue increased by 11.8% to R88,8 million (Dec 2021: R79,5 million). This was mainly due to the significant increase in volumes in the Power Solutions business from R6,5 million to R19,8 million following increased demand for alternative power solutions, albeit at lower margins.

Although the Enterprise business experienced new volumes from cloud-based solutions, this could not compensate for project delays from the national broadcaster and local pay TV operator in Broadcast Solutions.

Operating profit decreased from R8,5 million to R5,2 million.

Outlook

Intelligent Solutions expects ongoing demand for cloud- and service-based offerings in the Enterprise Communications and Broadcast media space. The business will continue with aggressive marketing of these solutions, which will include a focus on managed solutions as a fast-growing and higher-margin business area.

A number of annuity service-level agreement (SLA) renewals is expected from key Broadcast and Enterprise Communications customers during the second half of the financial year. The recent award of a significant multi-year digitisation contract by a major broadcaster will support volumes and margins from March 2023 onwards. Several new Enterprise clients have been added in 2022, with an emphasis on cloud contact centre solutions.

Power Solutions will broaden its power assurance product portfolio and service offerings by delivering alternative, value-for-money solutions to new and existing customers. Another large order was received from its biggest customer in December 2022 and additional volumes are expected from a second large new customer secured during 2022. This business unit will continue to benefit from the requirement for power independence, with its offering of generators, uninterrupted power solutions and solar and battery systems.

## **Manufacturing**

Manufacturing is a component manufacturer of household electrical products, wire harnesses, metal pressings and plastic injection-moulded products, with a special focus on the large home appliance market in southern Africa.

Period under review

Manufacturing contributed 15.3% of group revenue (Dec 2021: 24.3%). Revenue decreased by 45.8% from R78,5 million to R42,6 million due to a slower than anticipated recovery following the three-month strike that ended in June 2022. The ongoing impact of load-shedding by Eskom, particularly at stage 3 or higher, cut production hours by at least a third. This has also made night and weekend shifts uneconomical due to limited normal production runs.

The operating loss further worsened to R10,7 million (Dec 2021: R2,0 million) due to the decrease in revenue. This was despite a 7.1% decrease in overhead costs. Due to the continued losses in this business unit, the goodwill related to the business unit was impaired.

Outlook

Manufacturing expects volumes from the large appliance manufacturers to improve steadily due to the quality and competitiveness of our product range. The focus will remain on revenue diversification from new customers through the introduction of new product lines. The continuing risk of volatility in the labour market, coupled with the higher risk of load-shedding by Eskom during the second half, will continue to impact this division during the second half of the financial year.

## **KEY INTERNAL INITIATIVES**

Reducing debt

The group continued to reduce the principal outstanding debt on the Bank of China term loan through monthly capital repayments that increased to R0,8 million per month from August 2022.

Improving operating margins and performance

The management team will remain focused on cost control in all areas of the business, while prioritising higher-margin quality revenue from blue-chip customers. Revenue growth from new and existing customers, will be essential to improve profitability in 2023.

Working capital management

Working capital management was pleasing, with inventories reducing considerably in Manufacturing. Trade receivables across the group continue to be well managed. Trade payables in most of the business units have stabilised, except for Manufacturing where cash generated from inventory reduction has funded operating losses following the end of the strike.

Transformation

The group maintained a Level 3 broad-based black economic empowerment contributor status. The following areas will continue to receive focus:

- Skills development and training of employees
- Employment equity – achieving targets at all management levels

## GROUP PROSPECTS

The economic outlook for 2023 remains uncertain, with a number of challenges in South Africa. These include the ongoing Eskom crisis, the reduction in economic growth, high levels of unemployment, associated social and labour unrest, and rising interest rates.

Jasco will continue to execute its strategy and concentrate on the following additional key areas:

- Drive organic revenue growth from its existing customer base and target key new strategic customers;
- Add new products and services to Jasco's portfolio, with an emphasis on managed solutions as a fast-growing and higher-margin business area;
- Cost control and ongoing improvement in sustainable profitability levels in all business units; and Continue to reduce financial gearing through the cash generated by Jasco's operations.

The group announced its proposed delisting in a cautionary announcement released on SENS on 5 December 2022, with an accompanying general offer to Jasco minority shareholders by CIH of 16 cents per share. This represents a premium to the audited tangible net asset value of 1.2 cents per share as at 30 June 2022. The group will continue to update shareholders on progress.

## SOLVENCY, LIQUIDITY AND GOING-CONCERN

While these results are unaudited, shareholders are reminded of the emphasis of matter raised by the independent auditors, Mazars, in the audit opinion for the financial year ended 30 June 2022 relating to the material uncertainty related to going-concern.

At 31 December 2022, the group had accumulated losses of R295,2 million (30 June 2022: R268,5 million), with the group reporting a loss of R26,7 million (June 2022: R16,3 million). The group's current liabilities exceed its current assets by R47,7 million at 31 December 2022. This casts doubt on the group's ability to continue as a going-concern.

Based on the support received from CIH, the condonation received from the Bank of China, the expected improvement in Manufacturing, the potential cost savings that would follow the delisting of Jasco and the planned revenue for the rest of the group, the directors believe there is sufficient financing available to continue the business of the group. Accordingly, the financial statements have been prepared on a going-concern basis.

## SUBSEQUENT EVENTS

Apart from the proposed delisting, there are no other significant subsequent events to report.

## FORWARD-LOOKING STATEMENTS

This report contains certain forward-looking statements with respect to Jasco's financial position, results, operations and businesses. These statements and forecasts contain risk and uncertainty, as they relate to events and depend on circumstances that occur in the future. There are various factors that could cause actual results or developments to differ materially from those expressed or implied by these forward-looking statements.

For and on behalf of the board

**Dr ATM Mokgokong**  
(*Non-executive chairman*)

**WA Prinsloo**  
(*Chief executive officer*)

**LA Prigge**  
(*Chief financial officer*)

22 February 2023

## Basis of preparation

The summarised consolidated results have been prepared in accordance with the framework concepts and the measurement and recognition requirements of International Financial Reporting Standards ("IFRS"), the Financial Reporting Pronouncements as issued by the Financial Reporting Standards Council, the South African Companies Act, 71 of 2008 as amended and the Listings Requirements of the JSE Limited. The accounting policies and methods of computation used in the preparation of this report are consistent with those of the previous year.

## Fair values of financial instruments

Fair value hierarchy

Financial instruments carried at fair value in the statement of financial position consist of the revaluation of foreign currency contracts and are included in trade and other receivables and trade and other payables respectively.

These were classified as level 2.

	Dec 2022 R'000	Dec 2021 R'000	Jun 2022 R'000
Financial assets at fair value through profit or loss	–	203	61
Financial liabilities at fair value through profit or loss	141	26	–

## Segmental information

For management (the group's executive committee) purposes, the group is organised into business units based on their products and services and has three reportable operating segments. The group's operating businesses are organised and managed separately according to the nature of the products and services provided, with each segment representing a strategic business unit that offers different products and serves different markets. Management monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on operating profit or loss and is measured on an aggregate basis and reconciled back to the profit or loss in the consolidated statement of comprehensive income.

Segmental revenue includes sales to third parties, as well as arm's length intersegmental revenue recorded at fair value.

Segmental operating profits exclude interest paid or received, except for interest income on lease receivables, and are stated before inter-segmental charges for interest and administration services between group companies.

## DIRECTORS AND SECRETARY

Dr ATM Mokgokong (Chairman)

J Madungandaba (Deputy Chairman)

DH du Plessis\*, Dr ND Munisi, MS Bawa\*, PF Radebe\*

TP Zondi\* (Non-executive), AMF da Silva# (Non-executive)

WA Prinsloo (CEO), LA Prigge (CFO) (Executive)

MCP Managerial Services Proprietary Limited (Company Secretary)

\* Independent # Alternate

## Registered office

Jasco Park, c/o 2nd Street and Alexandra Avenue, Midrand, 1685

## Transfer secretaries

JSE Investor Services SA Proprietary Limited

13th Floor, Rennie House, 19 Ameshoff Street, Braamfontein, 2001

## Sponsor

Grindrod Bank Limited,

Fourth Floor, Grindrod Tower, 8A Protea Place, Sandton, 2146

More information is available at: [www.jasco.co.za](http://www.jasco.co.za)

## Summarised Consolidated Statement of Comprehensive Income

(R'000)	Unaudited Dec 2022 6 months	Unaudited Dec 2021# 6 months	% change	Jun 2022 <sup>s</sup> 12 months
<b>Continuing operations</b>				
Revenue	276 127	322 489	(14)	634 244
Gross profit	79 378	109 602	(28)	185 715
<b>Operating (loss)/profit before interest and taxation</b>	<b>(10 679)</b>	14 540	(173)	34 086
Interest received	25	248	(90)	963
Interest paid	(11 772)	(9 190)	28	(16 861)
(Loss)/profit before taxation	<b>(22 426)</b>	5 598	(501)	13 557
Taxation	<b>(1 414)</b>	(897)	58	(3 550)
<b>(Loss)/profit for the period/year from continuing operations</b>	<b>(23 840)</b>	4 701	(607)	10 007
<b>Discontinued operations</b>				
Loss for the period/year from discontinued operations	<b>(2 755)</b>	(3 662)	(25)	(25 937)
<b>(Loss)/profit for the period/year</b>	<b>(26 595)</b>	1 039	(2 660)	(15 930)
Other comprehensive income	–	–	–	–
<b>Total comprehensive (loss)/ income for the period/year</b>	<b>(26 595)</b>	<b>1 039</b>	<b>(2 660)</b>	<b>(15 930)</b>
(Loss)/profit and total comprehensive (loss)/income attributable to:				
– equity holders of the parent	<b>(26 726)</b>	265		(16 310)
– relating to continuing operations	<b>(23 971)</b>	3 927		9 627
– relating to discontinued operations	<b>(2 755)</b>	(3 662)		(25 937)
– non-controlling interests	<b>131</b>	774		380
– relating to continuing operations	<b>131</b>	774		380
– relating to discontinued operations	–	–		–
<b>(Loss)/profit for the period/year</b>	<b>(26 595)</b>	1 039		(15 930)
Earnings and diluted earnings per share from total operations	(cents) <b>(7.4)</b>	0.1		(5.9)
– continuing operations	(cents) <b>(6.6)</b>	1.7		3.5
– discontinued operations	(cents) <b>(0.8)</b>	(1.6)		(9.3)
<b>Notes to the summarised AFS</b>				
Headline earnings and diluted headline earnings per share from total operations	(cents) <b>(8.7)</b>	0.1		(6.4)
– continuing operations	(cents) <b>(6.4)</b>	1.7		3.5
– discontinued operations	(cents) <b>(2.3)</b>	(1.6)		(9.9)

(R'000)		Unaudited Dec 2022 6 months	Unaudited Dec 2021 <sup>#</sup> 6 months	%	Jun 2022 <sup>§</sup> 12 months
<b>Reconciliation of headline earnings</b>					
Net earnings attributable to equityholders of the parent		<b>(26 726)</b>	265		(16 310)
Headline earnings adjustments		<b>(4 770)</b>	(125)		(1 528)
– Profit on disposal of subsidiary		–	–		(1 588)
– Impairment of goodwill		<b>611</b>	–		–
– Gain on loss of control of liquidated subsidiary		<b>(5 903)</b>	–		–
– Net after-tax loss/(profit) on disposal of fixed assets		<b>522</b>	(125)		60
<b>Headline earnings</b>		<b>(31 496)</b>	140		(17 837)
Number of shares in issue	('000)	<b>367 445</b>	229 319	–	367 445
Treasury shares	('000)	<b>(4 873)</b>	(4 873)	–	(4 873)
Weighted average number of shares on which earnings per share is calculated	('000)	<b>362 572</b>	224 446	–	278 561
Dilutive shares and options	('000)	–	–		–
Weighted average number of shares on which diluted earnings per share is calculated	('000)	<b>362 572</b>	224 446	–	278 561
<b>Ratio analysis</b>					
Attributable earnings	(R'000)	<b>(26 726)</b>	265	(10 185)	(16 310)
EBITDA	(R'000)	<b>(2 763)</b>	29 567	(109)	31 581
Net asset value per share	(cents)	<b>9.6</b>	13.7	(30)	16.9
Net tangible asset value per share	(cents)	<b>(5.0)</b>	(14.0)	64	1.2
Debt: Equity (excluding lease liabilities)	(%)	<b>238.2</b>	369.1	(35)	159.2
Debt: Equity (net of Bank balances)	(%)	<b>168.6</b>	308.2	(45)	118.2

<sup>#</sup> The December 2021 amounts were restated for the reclassification of the JPS business unit out of Intelligent Solutions and Security & Fire into Discontinued operations.

<sup>§</sup> The June 2022 amounts were restated for the reclassification of Security & Fire into Discontinued operations.



## Summarised Consolidated Statement of Changes in Equity

(R'000)	Unaudited Dec 2022 6 months	Unaudited Dec 2021 6 months	Audited Jun 2022 12 months
<b>Attributable to equity holders of the parent</b>			
Opening balance	61 359	30 421	30 421
Rights issue	–	–	47 248
Total comprehensive (loss)/income	<b>(26 726)</b>	265	(16 310)
Closing balance	<b>34 633</b>	30 686	61 359
<b>Non-controlling interests</b>			
Opening balance	11 566	11 186	11 186
Total comprehensive income	131	774	380
Closing balance	<b>11 697</b>	11 960	11 566
<b>Total equity</b>	<b>46 330</b>	<b>42 646</b>	<b>72 925</b>

## Summarised Consolidated Statement of Financial Position

(R'000)	Unaudited Dec 2022	Unaudited Dec 2021	Audited Jun 2022
<b>ASSETS</b>			
<b>Non-current assets</b>			
Plant and equipment	27 325	34 311	30 179
Right-of-use assets	108 482	44 381	19 625
Intangible assets	52 749	62 003	57 023
Deferred tax asset	14 080	17 439	15 771
Other non-current assets	671	807	1 365
<b>Current assets</b>	<b>222 632</b>	252 223	239 131
Inventories	79 958	82 707	74 152
Contract assets	586	4 861	1 039
Trade and other receivables	97 244	122 667	121 192
Taxation refundable	11 841	11 977	11 049
Short-term portion of other non-current assets	726	4 058	1 838
Cash and cash equivalents	32 277	25 953	29 861
<b>Total assets</b>	<b>425 939</b>	<b>411 164</b>	<b>363 094</b>
<b>EQUITY AND LIABILITIES</b>			
Share capital and reserves	46 330	42 646	72 925
<b>Non-current liabilities</b>			
Interest-bearing liabilities	108	113 802	98 900
Lease liabilities	107 619	50 458	17 503
Contract liabilities*	–	–	2 115
Deferred tax liability	1 587	666	1 306
<b>Current liabilities</b>	<b>270 295</b>	203 592	170 345
Non-interest-bearing liabilities	108 133	108 897	104 216
Taxation	66	3 027	590
Contract liabilities*	38 088	31 057	41 171
Short-term borrowings	110 266	43 603	17 161
Short-term lease liabilities	13 742	17 008	7 207
<b>Total equity and liabilities</b>	<b>425 939</b>	<b>411 164</b>	<b>363 094</b>

## Summarised Consolidated Statement of Cash Flows

(R'000)	Unaudited Dec 2022	Unaudited Dec 2021	Audited Jun 2022
<b>Cash flows from operating activities</b>	<b>13 553</b>	7 126	16 502
Cash receipts from customers	<b>303 684</b>	346 263	692 154
Cash paid to suppliers and employees	<b>(281 834)</b>	(328 899)	(655 469)
Cash generated from operations	<b>21 850</b>	17 364	36 685
Interest received	<b>49</b>	–	836
Interest paid	<b>(7 558)</b>	(9 269)	(17 824)
Taxation paid	<b>(788)</b>	(969)	(3 195)
<b>Cash flows from investing activities</b>	<b>(682)</b>	4 180	5 420
Purchase of plant and equipment	<b>(1 928)</b>	(318)	(1 303)
Proceeds on disposal of plant and equipment	<b>217</b>	–	237
Additions to right-of-use assets	<b>(733)</b>	(57)	–
Additions to intangibles	<b>–</b>	85	(16)
Disposal of subsidiary, net of cash disposed of	<b>(44)</b>	–	(86)
Receipts from other non-current loans	<b>1 806</b>	4 470	6 588
<b>Cash flows from financing activities</b>	<b>(9 977)</b>	(6 317)	(12 911)
Non-current loans repaid	<b>(5 183)</b>	3 781	(3 318)
Cash proceeds from rights issue	<b>–</b>	–	7 248
Leases – principal payments	<b>(4 794)</b>	(10 098)	(16 841)
<b>Net increase in cash and cash equivalents</b>	<b>2 894</b>	4 989	9 011
Cash and cash equivalents at beginning of year	<b>29 383</b>	20 349	20 372
Net cash and cash equivalents at end of year	<b>32 277</b>	25 338	29 383
Cash and cash equivalents	<b>32 277</b>	25 953	29 861
Bank overdrafts	<b>–</b>	–	(478)
Net cash and cash equivalents at end of year	<b>32 277</b>	25 953	29 383

## Summarised segmental reports

Income and expenses (R'000)	Dec 2022 6 months		Dec 2021 <sup>#</sup> 6 months		Jun 2022 <sup>§</sup> 12 months	
	Revenue	Operating profit/ (loss)	Revenue	Operating profit/ (loss)	Revenue	Operating profit/ (loss)
Communication Solutions	147 842	12 972	165 012	24 066	318 840	35 391
Intelligent Solutions	88 842	5 242	79 489	8 466	175 539	15 825
Manufacturing	42 565	(10 682)	78 519	(1 983)	145 790	(10 245)
<b>Sub-total continuing operating divisions</b>	<b>279 249</b>	<b>7 532</b>	<b>323 020</b>	<b>30 549</b>	<b>640 169</b>	<b>40 971</b>
Discontinued operations	3 655	(2 650)	29 559	(3 270)	31 363	(26 333)
Other	–	(16 783)	–	(14 063)	32 352	(6 779)
Adjustments	(3 122)	(1 428)	(531)	(1 946)	(38 279)	(3 150)
<b>Total</b>	<b>279 782</b>	<b>(13 329)</b>	<b>352 048</b>	<b>11 270</b>	<b>665 605</b>	<b>4 709</b>
<b>Financial position (R'000)</b>	<b>Assets</b>	<b>Liabilities</b>	<b>Assets</b>	<b>Liabilities</b>	<b>Assets</b>	<b>Liabilities</b>
Communication Solutions	118 019	49 419	116 547	38 026	107 139	32 476
Intelligent Solutions	50 378	67 170	50 120	51 238	59 018	47 682
Electrical Manufacturers	63 354	38 509	90 836	47 279	78 570	40 279
<b>Sub-total continuing operating divisions</b>	<b>231 751</b>	<b>155 098</b>	<b>257 503</b>	<b>136 543</b>	<b>244 727</b>	<b>120 437</b>
Discontinued operations	2 033	734	24 391	17 552	10 602	14 633
Other	260 723	229 112	188 995	221 498	101 496	123 343
Adjustments	(68 569)	(5 335)	(59 725)	(7 075)	6 269	31 756
<b>Total</b>	<b>425 939</b>	<b>379 609</b>	<b>411 164</b>	<b>368 518</b>	<b>363 094</b>	<b>290 169</b>

<sup>#</sup> The December 2021 amounts were restated for the reclassification of the JPS business unit out of Intelligent Solutions and Security & Fire into Discontinued operations.

<sup>§</sup> The June 2022 amounts were restated for the reclassification of Security & Fire into Discontinued operations.

## Revenue by segments

Revenue by reportable segment is disaggregated by major revenue streams as below:

	Sale of goods and related services R'000	Project related revenue R'000	Maintenance and support services R'000	Connectivity and hosting services R'000	Software related licences R'000	Administration revenue R'000	Rental revenue: Hi-sites* R'000	Total R'000
<b>31-Dec-22</b>								
Communication Solutions	119 071	1 967	26 804	–	–	–	–	147 842
Intelligent Solutions	30 402	–	36 123	9 588	161	24	12 544	88 842
Manufacturing	42 565	–	–	–	–	–	–	42 565
<b>Sub-total continuing operating divisions</b>	192 038	1 967	62 927	9 588	161	24	12 544	279 249
Discontinued operations	–	2 234	1 421	–	–	–	–	3 655
Adjustments-Intercompany eliminations	(3 098)	–	–	–	–	(24)	–	(3 122)
<b>Total</b>	188 940	4 201	64 348	9 588	161	–	12 544	279 782
<b>31-Dec-21</b>								
Communication Solutions	136 051	1 814	27 147	–	–	–	–	165 012
Intelligent Solutions	21 725	–	33 307	9 911	1 358	248	12 940	79 489
Manufacturing	78 519	–	–	–	–	–	–	78 519
<b>Sub-total continuing operating divisions</b>	236 295	1 814	60 454	9 911	1 358	248	12 940	323 020
Discontinued operations	11	26 022	3 526	–	–	–	–	29 559
Adjustments-Intercompany eliminations	(283)	–	–	–	–	(248)	–	(531)
<b>Total</b>	236 023	27 836	63 980	9 911	1 358	–	12 940	352 048
<b>30-Jun-22</b>								
Communication Solutions	251 161	7 522	40 787	–	19 371	–	–	318 841
Intelligent Solutions	60 658	–	72 315	16 982	–	–	25 584	175 539
Manufacturing	145 790	–	–	–	–	–	–	145 790
<b>Sub-total continuing operating divisions</b>	457 609	7 522	113 102	16 982	19 371	–	25 584	640 170
Discontinued operations	2 314	24 189	1 506	87	–	5 516	–	33 612
Adjustments-Intercompany eliminations	(5 926)	–	–	–	–	(5 516)	–	(11 442)
<b>Total</b>	453 997	31 711	114 608	17 069	19 371	–	25 584	662 340

\* Not from IFRS 15 Revenue from contracts with customers

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**JASCO TRADING HISTORY FOR A PERIOD OF 30 BUSINESS DAYS PRIOR TO THE  
LAST PRACTICABLE DATE**


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<b>Date</b>	<b>Close cents</b>	<b>High cents</b>	<b>Low cents</b>	<b>Value Rand</b>	<b>Volume</b>
27 January 2023	12	12	12	240	2,000
30 January 2023	13	13	12	18,198	143,877
31 January 2023	14	14	13	36,048	271,741
1 February 2023	12	12	12	1,011	8,426
2 February 2023	12	12	11	7,496	62,475
3 February 2023	12	12	11	14,577	121,545
6 February 2023	12	12	11	3,573	31,943
7 February 2023	14	14	13	15,447	116,767
8 February 2023	14	–	–	–	–
9 February 2023	14	–	–	–	–
10 February 2023	14	–	–	–	–
13 February 2023	14	–	–	–	–
14 February 2023	12	12	12	2,256	18,800
15 February 2023	12	–	–	–	–
16 February 2023	11	14	11	35,948	291,694
17 February 2023	11	11	11	1,761	16,010
20 February 2023	12	12	12	48,000	400,000
21 February 2023	12	14	12	14,097	100,810
22 February 2023	11	11	11	5,083	46,215
23 February 2023	13	13	13	392	3,022
24 February 2023	12	13	12	26,921	208,132
27 February 2023	12	12	12	291	2,429
28 February 2023	12	13	12	6,048	47,599
1 March 2023	12	–	–	–	–
2 March 2023	12	–	–	–	–
3 March 2023	13	13	12	19,028	157,909
6 March 2023	15	15	13	30,980	218,747
7 March 2023	15	15	15	3,771	25,142
8 March 2023	14	14	14	16	121
9 March 2023	14	14	14	1,221	8,726
10 March 2023	14	–	–	–	–

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## EXCHANGE CONTROL REGULATIONS

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The definitions and interpretations commencing on page 8 of this Circular apply, *mutatis mutandis*, to this Annexure (unless the context indicates otherwise).

### 1. FOREIGN SHAREHOLDERS

- 1.1 The Offer may be affected by the laws of the relevant jurisdiction of a Foreign Shareholder. A Foreign Shareholder should acquaint itself with and observe any applicable legal requirements of such jurisdiction in relation to all aspects of this Circular that may affect it. It is the responsibility of each Foreign Shareholder to satisfy itself as to the full observance of the laws and regulatory requirements of the relevant jurisdiction in connection with the Offer, including the obtaining of any governmental, exchange control or other consents, the making of any filings which may be required, the compliance with other necessary formalities and the payment of any taxes or other requisite payments due in such jurisdiction.
- 1.2 The Offer is governed by the laws of South Africa and is subject to any applicable laws and regulations, including the Exchange Control Regulations.
- 1.3 Any Shareholder who is in doubt as to its position, including, without limitation, its tax status, should consult an appropriate independent professional advisor in the relevant jurisdiction without delay.

### 2. EXCHANGE CONTROL REGULATIONS

The following is a summary of the Exchange Control Regulations. It is intended as a guide only and is not a comprehensive statement of the Exchange Control Regulations which apply to Shareholders. Shareholders who have any queries regarding the Exchange Control Regulations should contact their own professional advisors without delay.

#### 2.1 Residents of the Common Monetary Area

In the case of:

- 2.1.1 Certificated Shareholders whose registered addresses in the Register are within the Common Monetary Area and whose Documents of Title are not restrictively endorsed in terms of the Exchange Control Regulations, the Offer Consideration will be transferred to such Shareholder by EFT; and
- 2.1.2 Dematerialised Shareholders whose registered addresses in the Register are within the Common Monetary Area and whose accounts with their CSDP or Broker have not been restrictively designated in terms of the Exchange Control Regulations, the Offer Consideration will be credited directly to the accounts nominated for the relevant Shareholder by their duly appointed CSDP or Broker in terms of the provisions of the custody agreement with their CSDP or Broker.

#### 2.2 Emigrants from the Common Monetary Area

In the case of the Offer Participants being emigrants from the Common Monetary Area and whose Shares form part of their remaining assets, the Offer Consideration will:

- 2.2.1 in the case where the Offer Participants are Certificated Shareholders whose Documents of Title are restrictively endorsed in terms of the Exchange Control Regulations, be forwarded to the Authorised Dealer in foreign exchange controlling the Offer Participant's remaining assets in terms of the Exchange Control Regulations; or

- 2.2.2 in the case of the Offer Participants being Dematerialised Shareholders, whose registered addresses in the Register are within the Common Monetary Area and have not been restrictively designated in terms of the Exchange Control Regulations, be paid to their Broker or CSDP controlling their remaining portfolios, which shall arrange for same to be credited directly to the emigrant's capital account of the Offer Participant concerned with their Authorised Dealer in foreign exchange.
- 2.3 All other non-residents of the Common Monetary Area
- 2.3.1 The Offer Consideration due to a Certificated Shareholder who is a Foreign Shareholder and who has never resided in the Common Monetary Area, whose registered address is outside the Common Monetary Area and whose Documents of Title have been restrictively endorsed under the Exchange Control Regulations, will be deposited with the Authorised Dealer in foreign exchange in South Africa nominated by such Shareholder. It will be incumbent on the Shareholder concerned to instruct the nominated Authorised Dealer as to the disposal of the amounts concerned, against delivery of the relevant Documents of Title. The Form of Surrender and Transfer (*green*) attached to this Circular make provision for this nomination required. If the information regarding the Authorised Dealer is not given, the Offer Consideration will be held in trust by for the Shareholders concerned pending receipt of the necessary information or instruction.
- 2.3.2 In the case of the Offer Participants being Dematerialised Shareholders, the Offer Consideration will be fully paid up and delivered to their duly appointed Broker or CSDP and credited to such Offer Participant's accounts nominated for the relevant Offer Participant by their dully appointed Broker or CSDP in terms of the provisions of the custody agreement with their Broker or CSDP.



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## NOTICE OF GENERAL MEETING

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The “Definitions and Interpretations” commencing on page 8 of the Circular to which this notice of general meeting of shareholders is attached and forms part apply, *mutatis mutandis*, to this notice of general meeting of shareholders.

Notice is hereby given that a general meeting of shareholders of Jasco will be held entirely via a remote interactive electronic platform, on Wednesday, 26 April 2023 at 14:00 for the purpose of considering and, if deemed fit, passing with or without modification, the following ordinary resolutions set out below, which meeting is to be participated in and voted at by shareholders as at the record date of Friday, 14 April 2023. Accordingly, the last day to trade in order to be eligible to vote at the general meeting is Tuesday, 11 April 2023.

If you are in any doubt as to what action to take in regard to this notice, please consult your Central Securities Depository Participant (“CSDP”), broker, banker, accountant, attorney or other professional adviser immediately and refer to the instructions set out at the conclusion of this notice.

### ORDINARY RESOLUTION NUMBER 1 – APPROVAL OF THE DELISTING

**“RESOLVED THAT**, the Delisting, in accordance with the provisions of the Listings Requirements, details of which are fully disclosed in the Circular to which this notice forms part, be and is hereby approved, subject to the Offer being implemented.”

*The Delisting will occur pursuant to the Delisting Resolution being approved and the Offer being implemented. In terms of paragraph 1.16 of the Listings Requirements, for ordinary resolution number 1 to be adopted, it must be supported by at least 75% of the voting rights exercised at the general meeting in person or in proxy. CIH and its associates and any party acting in concert with it, will be excluded from voting at the general meeting.*

*Consequently, MJ Madungandaba and Dr ATM Mokgokong, AMF (Pete) da Silva and Dr N Munisi will be excluded from the Offer and from voting together with the CIH associated entities defined in this Circular.*

#### Reason and effect

The reason for ordinary resolution number 1 is that the Delisting in terms of the Listings Requirements requires approval by shareholders in terms of paragraph 1.16. Consequently, shareholders are required to approve the Delisting by way of an ordinary resolution in terms of the Listings Requirements.

The effect of ordinary resolution number 1, if passed, will be to grant the necessary shareholder approval for the Delisting in terms of the Listings Requirements.

### ORDINARY RESOLUTION NUMBER 2 – AUTHORISATION TO IMPLEMENT ORDINARY RESOLUTION NUMBER 1

**“RESOLVED THAT**, any director or the Company Secretary of the Company be and is hereby authorised and empowered to do all such things, sign all such documents and take all such actions as may be necessary for or incidental to the implementation of ordinary resolution number 1 and anything already done in this respect be and is hereby ratified to the fullest extent permissible in law.”

*In terms of the MOI of the Company, as read with the Act, for ordinary resolution number 2 to be adopted, it must be supported by at least 50% of the voting rights exercised on the resolution. CIH and its associates, and any party acting in concert with it, will be taken into account in determining the quorum at the general meeting. They will, however, be excluded from voting at the general meeting.*



## **Reason and effect**

The reason for and effect of ordinary resolution number 2 is to authorise any Director or the Company secretary of Jasco to do all such things and sign all such documents as are deemed necessary or desirable to implement ordinary resolution number 1 set out in the notice of general meeting, which requires the approval of the Shareholders.

## **VOTING**

Every Jasco Shareholder who is present in person, by proxy or represented at the general meeting shall have one vote (irrespective of the number of ordinary shares held), and on a poll, every Jasco Shareholder present in person, by proxy or represented at the general meeting, shall have one vote for every ordinary share held. The votes of Jasco shares held by share trusts, not yet allocated to scheme participants that are classified as schedule 14 trusts in terms of the Listings Requirements will not be taken into account at the general meeting for approval of any resolution proposed in terms of the Listings Requirements.

Shareholders wishing to participate electronically in the general meeting are required to email the written application form for electronic participation notices (attached to the circular) (together with the relevant supporting documents referred to below) to the Company's Transfer Secretaries at [meetfax@jseinvestorservices.co.za](mailto:meetfax@jseinvestorservices.co.za) and to the Company at [company.secretary@jasco.co.za](mailto:company.secretary@jasco.co.za), in the case of Certificated Shareholders or own-name Dematerialised Shareholders, as soon as possible, but in any event, by no later than 14:00 on Monday, 24 April 2023, if they wish to participate via electronic communication at the general meeting ("the electronic notice"). Dematerialised Shareholders other than own-name Dematerialised Shareholders must communicate with their Broker.

In order for the electronic notice to be valid, it must contain:

- if the Shareholder is an individual, a certified copy of his/her identity document and/or passport;
- if the Shareholder is not an individual, a certified copy of a resolution by the relevant entity and a certified copy of the identity documents and/or passports of the persons who passed the relevant resolution;
- the relevant resolution must set out who from the relevant entity is authorised to represent the relevant entity at the general meeting via electronic communication; and
- a valid email address and/or facsimile number ("the contact address/number").

Participants connecting to the general meeting will be able to participate in and vote at the general meeting electronically. Accordingly, and in order for their votes to be recorded, Certificated Shareholders and own-name Dematerialised Shareholders with "own-name" registration making use of the electronic participation facility must submit their duly completed forms of proxy to the Transfer Secretaries as soon as possible and as indicated in the notice of general meeting included in this Circular to shareholders.

Dematerialised Shareholders, other than those with "own-name" registration, making use of the electronic participation facility must provide instructions to their duly appointed Participant or Broker, as soon as possible and as indicated in the notice of general meeting.

Those Dematerialised Shareholders, other than those with "own-name" registration, who wish to be classified as attending in person, must obtain letters of representation from their Participant or Broker, and voting forms from the Transfer Secretaries, and must submit both to the Transfer Secretaries. These Shareholders must also connect to the general meeting electronically as explained above.

Shareholders are further encouraged to submit any questions via email to [company.secretary@jasco.co.za](mailto:company.secretary@jasco.co.za). Said questions will be addressed at the general meeting and will be responded to by return email.

## **RECORD DATE**

The record date in terms of section 59 of the Act for shareholders to be recorded in the Jasco shareholders' register in order to have been sent the Circular, to which this notice is attached, is Friday, 17 March 2023.

The record date in terms of section 59 of the Act for shareholders to be recorded in the Jasco shareholders' register in order to be able to attend, participate and vote at the general meeting is Friday, 14 April 2023.

## **IDENTIFICATION**

In terms of section 63(1) of the Act, any person attending or participating in a shareholders' meeting, must present reasonably satisfactory identification and the person presiding at such meeting must be reasonably satisfied that the right of that person to participate and vote, either as a shareholder, or as a proxy to a shareholder, has been reasonably verified. Suitable forms of identification will include the presentation of valid identity documents, drivers' licences and passports.

## **ELECTRONIC PARTICIPATION BY SHAREHOLDERS**

Shareholders are encouraged to connect to the general meeting by utilising the virtual meeting facility that will be used to accommodate the process. Please contact the Company Secretary on the email [company.secretary@jasco.co.za](mailto:company.secretary@jasco.co.za) or telephonically on +27 11 266 1678 with your contact details no later than 14:00 on Monday, 24 April 2023 should you wish to obtain the link to the general meeting.

In-person registration of meeting participants will not be carried out at the registered office of the Company. Participants should note that access to the electronic communication may be at the expense of the participants who wish to utilise the facility.

## **PROXIES**

A shareholder entitled to attend, participate in and vote at the general meeting is entitled to appoint one or more proxies to attend, participate in and vote at the general meeting in his or her stead. A proxy need not be a Shareholder of the Company. For the convenience of holders of Certificated Shares and holders of Dematerialised Shares with own-name registration, a form of proxy (*blue*) is attached to the Circular to which this notice of general meeting is attached. Duly completed forms of proxy must be lodged with and received by the Transfer Secretaries (at either the Transfer Secretaries' physical or postal address set out below) by 14:00 on Monday, 24 April 2023 or handed to the chairman of the general meeting before the appointed proxy exercises any of the relevant Shareholder's rights at the general meeting (or any adjournment of the general meeting), provided that should the Transfer Secretaries receive a Shareholder's form of proxy less than 48 hours before the general meeting, such Shareholder will also be required to furnish a copy of such form of proxy to the chairman of the general meeting before the appointed proxy exercises any of such Shareholder's rights at the general meeting (or any adjournment of the general meeting). The email address of the Transfer Secretaries is [meetfax@jseinvestorservices.co.za](mailto:meetfax@jseinvestorservices.co.za).

Holders of Dematerialised Shares without own-name registration who wish to attend the general meeting in person should request their CSDP or Broker to provide them with the necessary letter of representation in terms of their Custody Agreement with their CSDP or Broker. Holders of Dematerialised Shares without own-name registration who do not wish to attend the general meeting but who wish to be represented at the general meeting should advise their CSDP or Broker of their voting instructions and should not complete the form of proxy (*blue*) attached to the Circular to which this notice of general meeting is attached. Holders of Dematerialised Shares without own-name registration should contact their CSDP or Broker with regard to the cut-off time for their voting instructions.

By order of the Board

## **JASCO ELECTRONICS HOLDINGS LIMITED**

### **MCP Managerial Services**

Company Secretary

23 March 2023

### **Registered office**

Corner Alexandra Avenue and 2nd Street  
Midrand, 1685  
(PO Box 860, Wendywood, 2144)

### **Transfer Secretaries**

JSE Investor Services Proprietary Limited  
2 Gwen lane  
Sandown  
Sandton, 2196  
(PO Box 4844, Johannesburg, 2000)



## FORM OF PROXY – SHAREHOLDERS’ MEETING (BLUE)

Unless otherwise stated or the context otherwise indicates, words and expressions used in this form of proxy shall bear the meanings ascribed to them in the Circular to which this form of proxy is attached.

For use at the general meeting to be held at **14:00 on Wednesday, 26 April 2023**, entirely via a remote interactive electronic platform.

**To be completed by holders of Certificated Shares and holders of Dematerialised Shares with own-name registration only**

*If you are a holder of Dematerialised Shares without own-name registration you must not complete this form of proxy but must instruct your CSDP or Broker as to how you wish to vote. This must be done in terms of the Custody Agreement between you and your CSDP or Broker.*

I/We (FULL NAMES IN BLOCK LETTERS)

of (address)

Telephone (work) ( )

Telephone (home) ( )

Cellphone number

being the holder(s) of  certificated shares or dematerialised shares with own-name registration do hereby appoint (see notes 1 and 2):

1. \_\_\_\_\_ or failing him/her,

2. \_\_\_\_\_ or failing him/her,

3. the Chairman of the general meeting,

as my/our proxy to attend, speak and vote at the general meeting (or any adjournment thereof).

I/We desire to vote as follows (see note 3):

	Number of votes (one vote per ordinary share)		
	For	Against	Abstain
<b>Ordinary resolution number 1</b> Approval of the Delisting			
<b>Ordinary resolution number 2</b> Authorisation to implement ordinary resolution number 1			

(Please indicate instructions to proxy in the space provided above by the insertion therein of the relevant number of votes exercisable.)

If you return this form duly signed without any specific voting directions indicated in the appropriate spaces above, you will be deemed to authorise and direct the chairman of the general meeting, if your proxy is the chairman, to vote in favour of all the resolutions proposed at the general meeting. If the chairman is not your proxy, then the proxy will be entitled to vote or abstain from voting at the general meeting as he/she thinks fit.

My/our proxy may not delegate his/her authority to act on my/our behalf to any other person.

Signed at \_\_\_\_\_ on \_\_\_\_\_ 2023

Signature

Capacity of signatory (where applicable)

Note: Authority of signatory to be attached – see notes 8 and 9.

Assisted by me (where applicable)

Full name

Capacity

Signature

**Please read the below summary of the rights contained in section 58 of the Companies Act and the below notes to this form of proxy.**

## SUMMARY OF RIGHTS CONTAINED IN SECTION 58 OF THE ACT

In terms of section 58 of the Act:

- a shareholder of a company may, at any time and in accordance with the provisions of section 58 of the Act, appoint any individual (including an individual who is not a shareholder) as a proxy to participate in, and speak and vote at, a shareholders' meeting on behalf of such shareholder;
- a proxy may delegate her or his authority to act on behalf of a shareholder to another person, subject to any restriction set out in the instrument appointing such proxy (see note 15);
- irrespective of the form of instrument used to appoint a proxy, the appointment of a proxy is suspended at any time and to the extent that the relevant shareholder chooses to act directly and in person in the exercise of any of such shareholder's rights as a shareholder (see note 5);
- any appointment by a shareholder of a proxy is revocable, unless the form of instrument used to appoint such proxy states otherwise;
- if an appointment of a proxy is revocable, a shareholder may revoke the proxy appointment by (i) cancelling it in writing, or making a later inconsistent appointment of a proxy and (ii) delivering a copy of the revocation instrument to the proxy and to the relevant company;
- a proxy appointed by a shareholder is entitled to exercise, or abstain from exercising, any voting right of such shareholder without direction, except to the extent that the relevant company's memorandum of incorporation, or the instrument appointing the proxy, provides otherwise (see note 3); and
- if the instrument appointing a proxy or proxies has been delivered by a shareholder to a company, then, for so long as that appointment remains in effect, any notice that is required in terms of the Act or such company's Memorandum of Incorporation to be delivered to a shareholder must be delivered by such company to:
  - the relevant shareholder; or
  - the proxy or proxies, if the relevant shareholder has: (i) directed such company to do so, in writing and (ii) paid any reasonable fee charged by such company for doing so.

### NOTES TO THE FORM OF PROXY

1. Each Jasco shareholder is entitled to appoint one (or more) proxies (none of whom need be Jasco shareholders) to participate, speak and vote in place of that Jasco shareholder at the general meeting.
2. A Jasco shareholder may insert the name of a proxy or the names of two alternative proxies of the Jasco shareholder's choice in the space/s provided, with or without deleting "the Chairman of the general meeting", but the Jasco shareholder must initial any such deletion. The person whose name stands first on this 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.
3. A Jasco shareholder's instructions to the proxy must be indicated by the insertion of the relevant number of votes exercisable by the Jasco shareholder in the appropriate box provided. Failure to comply with the above will be deemed to authorise and direct the chairman of the general meeting, if the chairman is the authorised proxy, to vote in favour of all the resolutions proposed at the general meeting, or, if the chairman is not so authorised, the proxy will be entitled to vote or abstain from voting at the general meeting as he/she deems fit, in respect of all the Jasco shareholder's votes exercisable at the general meeting. A Jasco shareholder is not obliged to use all the votes exercisable by him, but the total of the votes cast and abstentions recorded may not exceed the total number of the votes exercisable by the relevant Jasco shareholder.
4. Completed forms of proxy and the authority (if any) under which they are signed must be lodged with or posted to and received by the Transfer Secretaries at 2 Gwen Lane, Sandown, Sandton, 2196 (PO Box 4844, Johannesburg, 2000) by 14:00 on Monday, 24 April 2023 or handed to the chairman of the general meeting before the appointed proxy exercises any of the relevant Jasco shareholder's rights at the general meeting (or any adjournment of the general meeting), provided that should the Transfer Secretaries receive a Jasco shareholder's form of proxy less than 48 hours before the general meeting, such Jasco shareholder will also be required to furnish a copy of such form of proxy to the chairman of the general meeting before the appointed proxy exercises any of such Jasco shareholder's rights at the general meeting (or any adjournment of the general meeting).
5. The completion and lodging or posting of this form of proxy will not preclude the relevant Jasco shareholder from attending the general meeting and speaking and voting in person thereat to the exclusion of any proxy appointed in terms hereof, should such Jasco shareholder wish to do so.
6. The chairman of the general meeting may accept or reject any form of proxy, not completed and/or received, in accordance with these notes or with the Company's Memorandum of Incorporation.
7. Any alteration or correction made to this form of proxy must be initialled by the signatory/ies.
8. Documentary evidence establishing the authority of a person signing this form of proxy in a representative capacity (e.g. for a company, close corporation, trust, pension fund deceased estate, etc.) must be attached to this form of proxy, unless previously recorded by the Company or the Transfer Secretaries.
9. Where this form of proxy is signed under power of attorney, such power of attorney must accompany this form of proxy, unless it has been registered by the Company or either the Transfer Secretaries or waived by the chairman of the general meeting.
10. Where Ordinary Shares are held jointly, all joint holders are required to sign this form of proxy.
11. A minor Jasco shareholder 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 Company or the Transfer Secretaries.
12. If you are a holder of Dematerialised Shares without own-name registration you must not complete this form of proxy but must instruct your CSDP or broker as to how you wish to vote. This must be done in terms of the Custody Agreement between you and your CSDP or broker.
13. This form of proxy shall be valid at any resumption of an adjourned general meeting to which it relates, although this form of proxy shall not be used at the resumption of an adjourned general meeting if it could not have been used at the general meeting from which it was adjourned for any reason other than it was not lodged timeously for the meeting from which the adjournment took place. This form of proxy shall, in addition to the authority conferred by the Companies Act except insofar as it provides otherwise, be deemed to confer the power generally to act at the general meeting in question, subject to any specific direction contained in this form of proxy as to the manner of voting.
14. A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the death or mental disorder of the principal or revocation of the proxy or of the authority under which the proxy was executed, or the transfer of the share in respect of which the proxy is given, provided that no notification in writing of such death, insanity, revocation or transfer as aforesaid shall have been received by the Company or the Transfer Secretaries before the commencement of the general meeting or adjourned general meeting at which the proxy is used.
15. Any proxy appointed pursuant to this form of proxy may not delegate his/her authority to act on behalf of the relevant Jasco shareholder.
16. In terms of section 58 of the Act, unless revoked, an appointment of a proxy pursuant to this form of proxy remains valid only until the end of the general meeting or any adjournment of the general meeting.
17. If the general meeting is adjourned or postponed, valid forms of proxy submitted for the initial general meeting will remain valid in respect of any adjournment or postponement of the general meeting.

## APPLICATION FORM FOR ELECTRONIC PARTICIPATION AT THE GENERAL MEETING



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### GENERAL MEETING – WEDNESDAY, 26 APRIL 2023

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Capitalised terms which are not defined herein shall bear the meanings assigned in the notice of general meeting (the "general meeting") to which this form is attached and forms part.

#### Instructions

Shareholders or their proxies, have the right, as provided for in the Company's MOI and the Companies Act, 2008 to participate in and vote at the general meeting by way of electronic communication.

Shareholders or their duly appointed proxies who wish to participate in and vote at the general meeting must complete this application form and email it (together with the relevant supporting documents referred to below) to the Company's Transfer Secretaries a [meetingservices@jseinvestorservices.co.za](mailto:meetingservices@jseinvestorservices.co.za) and to the Company at [company.secretary@jasco.co.za](mailto:company.secretary@jasco.co.za) as soon as possible, but in any event by no later than 14:00 on Monday, 24 April 2023.

Upon receiving a completed Electronic Participation Application Form, the Company's Transfer Secretaries will follow a verification process to verify each applicant's entitlement to participate in and/or vote at the general meeting. The Company's Transfer Secretaries will provide the Company with the email address of each verified Shareholder or their duly appointed proxy (each, "a Participant") to enable the Company to forward the Participant a Google Meet meeting invitation required to access the general meeting.

Jasco will send each Participant a Google Meet meeting invitation with a link to "meet.google.com" on Tuesday, 25 April 2023 to enable Participants to link up and participate electronically in the general meeting. This link will be sent to the email address nominated by the Participant in the table below.

#### Please note

The electronic platform to be utilised for the general meeting does not provide for electronic voting during the meeting. Accordingly, Shareholders are strongly encouraged to submit votes by proxy in advance of the general meeting by completing the form of proxy and lodging the completed form of proxy together with this Electronic Participation Application Form with the Company's Transfer Secretaries.

Participants who indicate in this form that they wish to vote during the electronic meeting, will be contacted by the Company's Transfer Secretaries to make the necessary arrangements.

Participants 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 Company's transfer Secretaries or Jasco who will also not 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 Participant from participating in and /or voting at the general meeting.

By signing this application form, the Participant indemnifies and holds the Company harmless against any loss, injury, damage, penalty or claim arising in any way from the use of the telecommunication lines to participate in and vote at the general meeting or any interruption in the ability of the Participant to participate in and vote at the general meeting via electronic communication, whether or not the problem is caused by any act or omission on the part of the Participant or anyone else, including without limitation the Company and its employees.

**Information required for participation by electronic communication at the general meeting**

Full name of Shareholder:

Identity or registration number of Shareholder:

Full name of authorised representative (if applicable):

Identity number of authorised representative:

Email address:

*\* Note: This email address will be used by the Company to share the Google Meet meeting invitation required to access the general meeting electronically.*

Cellphone number:

Telephone number, including dialing codes:

*\* Note: The electronic platform to be utilised for the general meeting does not provide for electronic voting during the meeting. Accordingly, Shareholders are strongly encouraged to submit votes by proxy in advance of the general meeting, by completing the form of proxy found at page 59.*

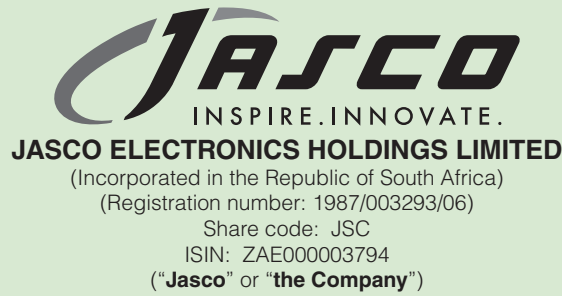
Indicate (by marking with an 'X') whether:

- votes will be submitted by proxy (in which case, please enclose the duly completed form of proxy with this form); or
- the Participant wishes to exercise votes during the general meeting. If this option is selected, the Company's Transfer Secretaries will contact you to make the necessary arrangements.

By signing this application form, I consent to the processing of my personal information above for the purpose of participating in Jasco's general meeting.

Signed at \_\_\_\_\_ on \_\_\_\_\_ 2023

Signed: \_\_\_\_\_



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## FORM OF SURRENDER AND TRANSFER FOR THE OFFER (FOR USE BY CERTIFICATED JASCO SHAREHOLDERS ONLY)

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The definitions and interpretations commencing on page 8 of the Circular apply, *mutatis mutandis*, throughout this Form of Surrender and Transfer ("**Form**") unless the context clearly indicates otherwise.

**This Form should be read in conjunction with the Circular.**

This Form is only for use in respect of the Offer proposed by the Offeror and Offer Participants holding Certificated Jasco Shares ("**Certificated Shareholders**").

Full details of the Offer are contained in the Circular to which this Form is attached and forms part. This Form is **attached for the use by Certificated Shareholders for purposes of accepting the Offer.**

**HOLDERS OF DEMATERIALIZED JASCO SHARES MUST NOT COMPLETE THIS FORM.**

### INSTRUCTIONS:

1. A separate Form is required for each Certificated Shareholder.
2. Certificated Shareholders must complete this Form in BLOCK CAPITALS.
3. The surrender of Documents of Title is for use only by Offer Participants who are Certificated Shareholders.
4. Part A must be completed by all Certificated Shareholders who return this Form.
5. Part B must be completed by a Certificated Shareholder who completed Part A and who is an emigrant from, or non-resident of the Common Monetary Area.
6. The completed Form and the Documents of Title in respect of the Offer Shares tendered must be returned to Jasco's Transfer Secretaries so as to be received by no later than 12:00 on the Offer Closing Date.
7. Once this Form is received by Jasco's Transfer Secretaries, your acceptance of the Offer will be final, and you may not withdraw your acceptance unless expressly permitted by the Takeover Regulations.
8. If you do not validly accept the Offer by 12:00 on the Offer Closing Date, you will be deemed to have declined the Offer. Late acceptances may be accepted or rejected at the absolute and sole discretion of CIH.
9. If this Form is returned with the relevant Documents of Title to the Offer Shares, it will be treated as a conditional surrender which is made subject to the Offer becoming wholly unconditional. In the event of the Offer not becoming wholly unconditional for any reason whatsoever, Jasco's Transfer Secretaries will, by not later than 5 (five) Business Days after the date upon which it becomes known that the Offer will not become wholly unconditional, return the documents of Title to the Jasco Shareholders concerned, by registered post, at the risk of such Jasco Shareholders.
10. Persons who have acquired Jasco Shares after the date of the issue of the Circular to which this Form is attached, may obtain copies of the Form and the Circular from Jasco's Transfer Secretaries.
11. The Offer Consideration will not be sent to Certificated Offer Participants unless and until Documents of Title in respect of the relevant Offer Shares have been surrendered to Jasco's Transfer Secretaries.

### Jasco's Transfer Secretaries

#### If delivered by hand:

JSE Investor Services Proprietary Limited  
2 Gwen Lane  
Sandown  
Sandton, 2196

#### If sent by mail:

JSE Investor Services Proprietary Limited  
PO Box 4844  
Johannesburg  
2000

Dear Sirs

**Part A: To be completed by ALL Offer Participants who return this Form.**

I/We hereby accept the Offer and surrender the share certificate/s and/or other Documents of Title attached hereto, representing Jasco Shares registered in the name of the person mentioned below and authorise Jasco's Transfer Secretaries, conditional upon the Offer becoming unconditional, to register the transfer of these Jasco Shares into the name of the Company or its nominee(s):

Name of registered holder (separate form for each holder)	Certificate number(s) (in numerical order)	Number of Jasco Shares covered by each certificate(s) enclosed
<b>Total</b>		

Surname:

First name (in full):

Title (Mr, Mrs, Ms, etc.):

Address to which the Offer Consideration must be sent (if different from registered address):

Postal code:

Country

Signature of Jasco Shareholder	Name and address of agent lodging this form (if any)
Assisted by (if applicable)	
(State full name and capacity)	
Date	
Cellphone number	
Office phone number	
Home phone number	
Bank account details	
Bank account name	
Bank account number	
Bank name	
SWIFT/ Branch code	

*In order to comply with FICA requirements, Jasco's Transfer Secretaries will be unable to record any payment or bank mandates unless a certified true copy of the undermentioned documentation is received from the relevant Jasco Shareholder:*

- (i) a copy of an identification document; and*
- (ii) a copy of a bank statement.*

**Part B**

**TO BE COMPLETED BY A CERTIFICATED SHAREHOLDER WHO COMPLETED PART A AND WHO IS AN EMIGRANT FROM, OR NON-RESIDENT OF, THE COMMON MONETARY AREA (SEE NOTES 3 AND 4 BELOW).**

**In the case of Certificated Shareholders who are emigrants:** The Offer Consideration will be posted or transferred (at the risk of the Certificated Shareholders) to the Authorised Dealer nominated by the Certificated Shareholders below for its control and credited to the emigrant's capital account.

Accordingly, non-residents who are emigrants must provide the following information:

**NB – PART A must also be completed**

Name of Authorised Dealer in South Africa:

Address:

Account number:

Signature of Authorised Dealer



**Notes and instructions:**

1. Applications under this Form are irrevocable and may not be withdrawn once submitted.
2. Offer Participants should consult their professional advisors in case of doubt as to the correct completion of this Form.
3. Emigrants of the Common Monetary Area must, in addition to Part A, also complete Part B. If Part B is not properly completed, the Offer Consideration will be held in trust by the Company or Jasco's Transfer Secretaries until claimed for a maximum period of five years, after which period such funds shall be paid over to the Guardians Fund of the Court. No interest will accrue or be paid on any Offer Consideration so held in trust.
4. All other non-residents of the Common Monetary Area must also complete Part B if they wish the Offer Consideration to be paid to an Authorised Dealer in South Africa.
5. Persons who are emigrants from the Common Monetary Area should nominate the Authorised Dealer in foreign exchange in South Africa which has control of their remaining assets in Part B of this Form. Failing such nomination, the Offer Consideration due to such Offer Participants in accordance with the provisions of the Offer will be held by the Company or Jasco's Transfer Secretaries, pending instructions from the Offer Participants concerned.
6. The Offer Consideration will not be sent to Offer Participants unless and until Documents of Title in respect of the relevant Offer Shares have been surrendered to Jasco's Transfer Secretaries.
7. If a Certificated Shareholder produces evidence to the satisfaction of the Company that Documents of Title in respect of Offer Shares have been lost or destroyed, CIH may waive the surrender of such Documents of Title against delivery of a duly executed indemnity (including against any damage, expense, loss or payment that the Company, or any of its duly authorised representatives, may incur or suffer by reason of, or arising from, the payment of the Offer Consideration to such person) in a form and on terms and conditions approved by the Company, or may in their discretion waive such indemnity.
8. If this Form is not signed by the Certificated Shareholder, the Certificated Shareholder will be deemed to have irrevocably appointed Jasco's Transfer Secretaries to implement that Certificated Shareholder's obligations under the Offer, as the case may be, on his/her behalf.
9. No receipts will be issued for documents lodged, unless specifically requested. In compliance with the requirements of the JSE, lodging agents are requested to prepare special transaction receipts. Signatories may be called upon for evidence of their authority or capacity to sign this Form.
10. Any alteration to this Form must be signed in full and should not be merely initialed.
11. If this Form is signed under a power of attorney, then such power of attorney, or a notarially certified copy hereof, must be sent with this Form for noting (unless it has already been noted by the Company or Jasco's Transfer Secretaries).
12. Where the Certificated Shareholder is a company or a close corporation, unless it has already been registered with the Company or Jasco's Transfer Secretaries, a certified copy of the directors' or members' resolution authorising the signing of this Form must be submitted if so requested by the Company.
13. A minor must be assisted by his parent or guardian, unless the relevant documents establishing his legal capacity are produced or have been registered by the Company or Jasco's Transfer Secretaries.
14. Notes 11, 12 and 13 do not apply in the case of a Form bearing a JSE Broker's stamp.
15. Where Offer Shares are held jointly, only the holder whose name stands first in the Register must sign this Form.

