



NWK LIMITED
(Incorporated in the Republic of South Africa)
Registration Number: 1998/007577/06
4AX Share Code: 4ANWK
ISIN: ZAE400000010

("NWK")



BEHEREND BEPERK • HOLDINGS LIMITED

NWK HOLDINGS LIMITED
(Incorporated in the Republic of South Africa)
Registration Number: 1998/007243/06
4AX Share Code: 4ANWKH
ISIN: ZAE400000028

("NWK Holdings")

FINALISATION ANNOUNCEMENT IN RESPECT OF THE SCHEME OF ARRANGEMENT BETWEEN NWK AND NWK HOLDINGS

Unless the context indicates otherwise, capitalised (defined) terms used in this announcement bear the same meanings given to such terms in the combined offer circular issued to NWK Shareholders on Tuesday, 07 July 2020, in relation to the Proposed Transaction ("Combined Offer Circular").

1. Introduction and fulfilment of Scheme Conditions Precedent

- 1.1. Shareholders of NWK ("NWK Shareholders") are referred to the Combined Offer Circular issued by NWK on Tuesday, 07 July 2020, containing details of the offer by NWK Holdings to acquire all the issued ordinary shares of NWK from NWK Shareholders other than NWK Holdings itself, by way of a combined offer through:
 - 1.1.1. a Scheme in terms of section 114(1) of the Companies Act. Implementation of the Scheme will result in NWK delisting from the exchange operated by 4AX and becoming an unlisted wholly-owned subsidiary of NWK Holdings; and
 - 1.1.2. subsequently and if, *inter alia*, after the Scheme is proposed, but fails to be implemented in accordance with its terms and conditions, the General Offer as contemplated in section 117(c)(v) of the Companies Act. Following the General Offer and subject to the passing of a delisting resolution, NWK will be delisted from 4AX and become an unlisted subsidiary of NWK Holdings.
- 1.2. NWK Shareholders are further referred to the announcement published on the 4AX News Service on Wednesday, 05 August 2020, notifying them that at the Special General Meeting held on Tuesday, 04 August 2020, the special and ordinary resolutions set out in the Notice of Special General Meeting (which was attached to and formed part of the Combined Offer Circular), were passed by the requisite majorities entitled to vote (being those set out in the Notice in respect of each resolution).
- 1.3. No NWK Shareholder has made an application to court in accordance with section 115(3)(b) of the Companies Act to be granted leave to apply to a court for a review of the Scheme and the Takeover Regulation Panel has issued a compliance certificate in respect of the Scheme in terms of section 119(4)(b) of the Companies Act and all Conditions Precedent to the Scheme have now been fulfilled. The Scheme has accordingly become unconditional with effect from Thursday, 20 August 2020 and will be implemented on Monday, 07 September 2020, being the "Scheme Implementation Date".
- 1.4. In accordance with the terms and conditions of the Scheme as detailed more fully in the Combined Offer Circular, on the Scheme Implementation Date, Scheme Participants shall be deemed to have disposed of and transferred their Scheme Shares to NWK Holdings and, in exchange, each NWK Shareholder:
 - 1.4.1. who satisfies the BFCAP eligibility requirements ("BFCAP Participant") will be entitled to receive the Shares Only Consideration of the Offer Consideration, being 1.2419 NWK Holdings Shares for every 1 (one) Scheme Share disposed of by such BFCAP Participant to NWK Holdings in terms of the Scheme; and

- 1.4.2. those NWK Shareholders who do not satisfy the BFCAP eligibility requirements (“**Non-BFCAP Participants**”), will be entitled to receive the Cash Only Consideration of the Offer Consideration, being an amount of R6.00 (six Rand) per NWK Share,

held by such Scheme Participant at the close of business on Friday, 04 September 2020, being the "Scheme Consideration Record Date".

- 1.5. As a consequence of the Scheme, the Delisting of the NWK Shares from the Official List of the securities exchange operated by the 4AX will be implemented on Tuesday, 08 September 2020.

2. Salient Dates and Times

- 2.1. The salient dates relating to the Scheme, as set out below, are now final:

	2020
Expected last date to trade before the trading in NWK Shares will be suspended on the 4AX for purposes of determining the fulfilment of Conditions Precedent	Wednesday, 19 August
Expected date for the trading in NWK Shares to be suspended on the 4AX at the commencement of trade on	Thursday, 20 August
Scheme Finalisation Date expected to be on	Thursday, 20 August
Expected Scheme Record Date to receive the Offer Consideration on	Friday, 04 September
Expected Operative Date of the Scheme on	Monday, 07 September
Expected date on which NWK Shareholders who are Scheme Participants will be paid the Offer Consideration	Monday, 07 September
Expected termination of listing of NWK Shares on the 4AX at the commencement of trade on or about	Tuesday, 08 September

Notes:

- All dates and times set out above are subject to change and/or may be subject to certain regulatory approvals including but not limited to that of the Takeover Regulation Panel and 4AX, being granted. Any change to the aforementioned dates and times will be released on the 4AXNS and on <https://www.nwk.co.za>
- All dates set out above, are issued in accordance with the Companies Act and the 4AX Listing Requirements.

3. Final cash value for fractional entitlement

- Shareholders are referred to the announcement published on the 4AX News Service on 22 July 2020, whereby NWK advised NWK Shareholders of the anticipated cash value in respect of fractional entitlements in relation to the NWK Holdings Shares to be received as part of the Shares Only Consideration.
- Where a NWK Shareholder's entitlement to new NWK Holdings Shares under the ratio stipulated in paragraph 1.4.1 gives rise to a fraction of a new NWK Holdings Share, such fraction will be rounded down to the nearest whole number, resulting in allocations of whole NWK Holdings Shares and a cash payment in respect of the fraction (“**Rounding Provision**”). In terms of the 4AX Listing Requirements, the applicable cash payment in respect of fractional

entitlements will be determined by using the volume weighted average price (“**VWAP**”) of NWK Holdings Shares as at 19 August 2020, less 10%.

3.3. Due to there being no NWK Holdings Shares traded on 4AX on Wednesday, 19 August 2020, it was resolved that the 30-day-VWAP would be utilised in the calculation of the final fractional entitlement, being 523.5996 cents per NWK Holdings Share. This amount, discounted by 10%, is 471.23964 cents per share.

3.4. **Example of anticipated fractional entitlement**

3.4.1. This example assumes that a BFCAP Participant held 1 (one) NWK Share at the close of business on Wednesday, 19 August 2020.

3.4.2. By applying the Rounding Provision, the BFCAP Participant with 1 (one) NWK Share will receive 1 (one) new NWK Holdings Share for every 1 (one) NWK Share held and a cash payment for the fraction of $0.2419 \times 471.23964 = 113.99287$ cents. All cash value fractional entitlements will be rounded to the nearest full cent (0.4 and lower rounded down and 0.5 and higher rounded up).

3.4.3. NWK Shareholders are informed that, as far as the tax implications of the cash payment of the fractional entitlements are concerned, the receipt of the cash payment will not be subject to dividend withholding tax.

3.4.4. The above is a general guide and is not intended to constitute a complete or binding analysis of the taxation consequences of the cash payment of fractional entitlements in terms of South African taxation law. It is not intended to be, nor should it be considered as legal or taxation advice and shareholders are advised to seek their own tax advice from an independent tax adviser.

3.4.5. NWK and its advisers cannot be held responsible for the taxation consequences that the Offer Consideration may have on individual NWK Shareholders and therefore NWK Shareholders are advised to consult their own tax advisers if they are in any doubt about their tax position.

4. Responsibility Statements

4.1. The Independent Board and the NWK Board, individually and collectively, accept full responsibility for the accuracy of the information contained in this announcement which relates to NWK, the Scheme, the General Offer and the Delisting, and certify that, to the best of their knowledge and belief, such information is true and this announcement does not omit any facts that would make any of the information false or misleading or would be likely to affect the importance of any information contained in this announcement. The Independent Board and the NWK Board have made all reasonable enquiries to ascertain that no facts have been omitted and this announcement contains all information required by law, the Companies Act and the 4AX Listing Requirements.

Lichtenburg

20 August 2020

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