

NOVUS HOLDINGS LIMITED

Incorporated in the Republic of South Africa

Registration number 2014/130842/06

JSE share code: NVS

ISIN: ZAE000202149

(“**Novus**” or “**Company**”)

ANNOUNCEMENT BY NOVUS OF ITS FIRM INTENTION TO MAKE A MANDATORY OFFER TO THE SHAREHOLDERS OF MUSTEK LIMITED FOR SHARES THAT IT DOES NOT ALREADY BENEFICIALLY HOLD

NOT FOR RELEASE, PUBLICATION OR DISTRIBUTION, IN WHOLE OR IN PART, DIRECTLY OR INDIRECTLY, IN, INTO OR FROM ANY JURISDICTION WHERE TO DO SO WOULD CONSTITUTE A VIOLATION OF THE RELEVANT LAWS OR REGULATIONS OF SUCH JURISDICTION

1. INTRODUCTION

- 1.1. Shareholders of Mustek Limited (“**Mustek**”) are hereby advised that Novus, together with (i) its related parties; and (ii) those persons with which Novus is acting in concert (details of whom are set out in paragraph 5), have collectively acquired the beneficial ownership of ordinary issued shares in Mustek (“**Mustek Shares**”), which has resulted in Novus beneficially holding 35% or more of all the issued Mustek Shares.
- 1.2. Accordingly, Novus will proceed to make a mandatory offer, as required in terms of section 123 of the Companies Act, 71 of 2008 (“**Companies Act**”) read with the Regulations published in terms of the Companies Act (“**Takeover Regulations**”) to acquire all of the Mustek Shares not already beneficially held by Novus, or any of its related and concert parties (“**Mandatory Offer**”).
- 1.3. The purpose of this firm intention announcement is to advise shareholders of Mustek (“**Mustek Shareholders**”) of the terms and conditions of the Mandatory Offer.

2. THE TERMS OF THE MANDATORY OFFER

The Mandatory Offer will be made in terms of section 123 of the Companies Act and Regulation 86 of the Takeover Regulations. The material terms of the Mandatory Offer to be made by Novus to all Mustek Shareholders (excluding the (i) Novus; (ii) any of its related parties; (iii) all concert parties; and (iv) Non-Accepting Shareholders (referred to in paragraph 2.3 below) (“**Mandatory Offer Participants**”) are as follows:

2.1. Mandatory offer consideration

- 2.1.1. Mandatory Offer Participants who accept the Mandatory Offer shall be entitled to elect to receive the following consideration for their Mustek Shares:

- 2.1.1.1. a cash consideration of R13.00 (thirteen Rand) for each Mustek Share tendered by a Mandatory Offer Participant ("**Cash Consideration**"); or
- 2.1.1.2. a cash amount of R7.00 (seven Rand) plus 1 (one) ordinary share in Novus ("**Novus Shares**") for each Mustek Share, tendered by a Mandatory Offer Participant ("**Combined Consideration**"); or
- 2.1.1.3. 2 (two) Novus Shares for each Mustek Share tendered by a Mandatory Offer Participant ("**Share Consideration**"),

(and for the purposes hereof, the term Cash Consideration, Combined Consideration and Share Consideration shall hereinafter be collectively referred to as the "**Mandatory Offer Consideration**").

- 2.1.2. The Mandatory Offer Consideration will be settled in full, in accordance with the terms of the Mandatory Offer, without regard to any lien, right of set-off, counterclaim or other analogous right to which the offerors may otherwise be, or claim to be, entitled against a Mandatory Offer Participant.
- 2.1.3. Mustek Shareholders are advised that the closing trading price of a Novus Share, as at 14 November 2024, was R7.85 (seven Rand eighty five cents).

2.2. **Suspensive Conditions to the Mandatory Offer**

- 2.2.1. The implementation of the Mandatory Offer is subject to the fulfilment (or waiver, to the extent legally permissible, by Novus by way of written notice to Mustek) of the suspensive conditions ("**Suspensive Conditions**") that by no later than 31 July 2025, or such later date as Novus may advise Mustek in writing ("**Long Stop Date**"), all regulatory approvals, consents or waivers from those regulatory authorities as may be required to implement the Mandatory Offer are obtained, including, to the extent required, from:
 - 2.2.1.1. to the extent required, any approvals that may be required to be obtained from the JSE Limited;
 - 2.2.1.2. to the extent required, Mustek and Novus have obtained all approvals, either unconditionally or subject to such conditions acceptable to Novus, as may be required to implement the Mandatory Offer (and the acquisition by Novus of the Offer Shares) from the Competition Commission, the Competition Tribunal and/or the Competition Appeal Court (as the case may be), as may be required in terms of the Competition Act, 1998; and

2.2.1.3. the South African Reserve Bank granting such approvals as may be required in terms of the South African Exchange Control Regulations to implement the Mandatory Offer, either unconditionally or subject to such conditions acceptable to Novus.

2.2.2. In the event that the Suspensive Conditions are not fulfilled by the Long Stop Date, Novus will (pursuant to directions by the Takeover Regulation Panel (“TRP”) in terms of section 119(5), read with regulation 97) dispose of Mustek Shares so that it will beneficially own less than 35% (thirty five) percent of the issued Mustek Shares.

2.3. **Undertakings not to accept the Mandatory Offer**

Novus has, as at the date of this firm intention announcement, received irrevocable undertakings from 3 (three) Mustek Shareholders, being (i) the DK Trust; (ii) Cornelius Jacobus Coetzee; and (iii) Hein Engelbrecht who hold or control, in aggregate, 11,674,519 (eleven million, six hundred and seventy four thousand, five hundred and nineteen) Mustek Shares, comprising approximately 20.29% (twenty point two nine percent) of all of the issued Mustek Shares (“**Non Accepting Shareholders**”), that they will, *inter alia*, reject the Mandatory Offer and not tender any Mustek Shares to Novus pursuant to the Offer.

2.4. **Ability to proceed with the Mandatory Offer**

2.4.1. Novus has delivered an irrevocable unconditional guarantee issued by Investec Bank Limited (“**Guarantor**”) in accordance with Regulations 111(4) and 111(5) of the Takeover Regulation in favour of Mustek Shareholders, in terms of which the Guarantor has agreed to pay up to a maximum amount of R335,000,000.00 (three hundred and thirty five million Rand) in relation to the maximum Mandatory Offer Consideration payable by Novus to Mandatory Offer Participants pursuant to the Mandatory Offer becoming unconditional and being implemented.

2.4.2. As a result of the irrevocable undertakings provided by the Non Accepting Shareholders referred to in paragraph 2.3, the TRP has granted Novus with an exemption from providing guarantees in terms of Regulations 111(4) and 111(5) of the Takeover Regulations in respect of the offer consideration that would have been payable to the any of Novus’ related and concert parties and the Non Accepting Shareholders had they accepted the Mandatory Offer.

2.4.3. Novus has provided the TRP with confirmation that it has a sufficient number of shares available in order to satisfy the Combined Consideration or the Share Consideration.

3. **SHAREHOLDINGS IN MUSTEK OF NOVUS, PERSONS RELATED TO THE NOVUS AND/OR PERSONS ACTING IN CONCERT WITH NOVUS**

- 3.1. Novus and its related parties are the beneficial owners of 20,180,347 (twenty million, one hundred and eighty thousand, three hundred and forty seven) Mustek Shares, comprising approximately 35.07% (thirty five point zero seven percent) of the issued share capital of Mustek.
- 3.2. The persons acting in concert with Novus for the purposes of the Mandatory Offer are the beneficial owners of 2,142,077 (two million, one hundred and forty two thousand, and seventy seven) Mustek Shares, comprising 3.7% (three point seven percent) of the issued share capital of Mustek.
- 3.3. Novus is engaging with the TRP as to whether or not the DK Trust ought to be regarded as a concert party, the outcome of such engagements will be contained in the Offeror Circular referred to in paragraph 9.
- 3.4. Pursuant to the engagements between Novus and the TRP referred to in 3.3 above:
- 3.4.1. if the DK Trust is deemed **not** to be a concert party, then (i) Novus; (ii) its related parties; and (iii) the persons referred to in paragraph 5, are, in aggregate, the beneficial owners of 22,322,424 (twenty two million, three hundred and twenty two thousand, four hundred and twenty four) Mustek Shares, comprising approximately 38.77% (thirty eight point seven seven percent) of the issued share capital of Mustek; or
- 3.4.2. if the DK Trust **is** deemed a concert party, then (i) Novus; (ii) its related parties; (iii) the persons referred to in paragraph 5; and (iv) the DK Trust, are, in aggregate, the beneficial owners of 31,854,866 (thirty one million, eight hundred and fifty four thousand, eight hundred and sixty six) Mustek Shares, comprising approximately 55.36% (fifty five point three six percent) of the issued share capital of Mustek.

4. **INFORMATION ABOUT NOVUS**

Novus is a public company, duly registered and incorporated in accordance with the laws of the Republic of South Africa, with registration number 2014/130842/06 and is listed on the main board of the JSE Limited, under share code NVS. Further information on Novus can be found at <https://novus.holdings/>.

5. INFORMATION AND IDENTITY OF CONCERT PARTIES

- 5.1. The following persons are acting in concert with Novus for the purposes of the Mandatory Offer, namely (i) Hein Engelbrecht; (ii) Cornelius Jacobus Coetzee; and (iii) Shabana Aboo Baker Ebrahim.
- 5.2. Hein Engelbrecht is the Group Chief Executive Officer of Mustek and further information about him can be found at <https://mustek.co.za/company/#board>.
- 5.3. Cornelius Jacobus Coetzee is the Managing Director of Mustek and further information about him can be found at <https://mustek.co.za/company/#board>.
- 5.4. Shabana Aboo Baker Ebrahim is the Group Financial Director of Mustek and further information about her can be found at <https://mustek.co.za/company/#board>.

6. CATEGORISATION FOR NOVUS

The Offer, if implemented in full, is categorised as a category 2 transaction for Novus in terms of the JSE Listings Requirements, and accordingly, shareholder approval from the shareholders of Novus is not required.

7. FINANCIAL INFORMATION OF MUSTEK

- 7.1. In terms of Regulation 101(7)(b)(iv) of the Takeover Regulations, a firm intention announcement is required to contain, *inter alia*, the *pro forma* earnings and asset value per Mustek Share, if settlement under the Mandatory Offer consists wholly or partly in securities.
- 7.2. Accordingly, Mustek Shareholders are advised that for the year ended 30 June 2024, the headline earnings per Mustek Share and the net asset value per Mustek Share was 67.13 cents and 2801.15 cents respectively. This information has been extracted from Mustek's audited results for the year ended 30 June 2024, which were prepared in terms of International Financial Reporting Standards.

8. NOVUS RESPONSIBILITY STATEMENT

Novus, to the extent that the information relates directly to Novus:

- 8.1. accepts responsibility for the information contained in this announcement;
- 8.2. confirms that to the best of its knowledge and belief, the information contained in this announcement is true and correct; and
- 8.3. confirms that this announcement does not omit anything likely to affect the importance of the information contained in it.

9. DISTRIBUTION OF OFFEROR CIRCULAR

- 9.1. In accordance with Regulation 102(2) of the Takeover Regulations, Novus will distribute a circular ("**Offeror Circular**") to Mustek Shareholders within 20 (twenty) business days of the date of this announcement.
- 9.2. Mustek Shareholders will be advised of the distribution of the Offeror Circular and the opening date of the Mandatory Offer by means of a SENS announcement.
- 9.3. In accordance with Regulation 102(4) to the Companies Act, the Offer will remain open for acceptance for at least 30 business days after the opening date of the Mandatory Offer, which will occur on the day after the date on which the Suspensive Conditions have been fulfilled or as soon as reasonably possible thereafter.

Cape Town

15 November 2024

Sponsor to Novus

PSG Capital

Legal Advisor to Novus

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