



Nimbus Infrastructure Limited
(Incorporated in the Republic of Namibia)
(Registration number 2017/0558)
NSX share code: NUSP ISIN: NA000A2DTQ42
(“Nimbus” or “the company”)

ANNOUNCEMENT IN RESPECT OF THE ACQUISITION BY NIMBUS OF A 26.5% SHAREHOLDING IN PARATUS TELECOMMUNICATIONS (PTY) LIMITED (“PARATUS”)

1. SUCCESSFUL ACQUISITION OF A VIABLE ASSET

1.1. Pursuant to the announcement by Nimbus published on NENS dated 16 November 2017, shareholders are advised that Nimbus has finalised the acquisition of a 26.5% (twenty six point five percent) interest in Paratus. The transaction closed and was effected on 24 January 2018 (“the Acquisition”).

1.2. In terms of the Acquisition:

1.2.1. Nimbus has acquired 8% (eight percent) of the issued share capital in Paratus (prior to the dilution effect caused by the events in 1.2.2) below) from Cuvelai Telecommunications (Pty) Ltd for a cash payment of N\$20 000 000; and

1.2.2. Paratus has allotted and issued shares in Paratus to Nimbus for an amount of N\$75 000 000, to bring the effective shareholding of Nimbus in Paratus after the allotment to 26.5%, resulting in an effective 20.1% dilution of existing shareholders.

The total aggregate consideration paid was N\$95,000,000 to obtain a 26.5% (twenty six point five percent) shareholding in Paratus. The consideration was settled from the cash raised through the private placement.

2. WAIVER OF CONDITION PRECEDENT

2.1. The Nimbus board on 24 January 2017 resolved to waive a condition precedent that was included in the Acquisition agreement. The suspensive condition provides that:

“the Development Bank of Namibia Ltd (“DBN”) is to waive the conditions as set out in clauses 19.6 and 19.7 of a loan agreement entered into by and between the Paratus and DBN dated 03 August 2015 (“Loan Agreement”) as to allow Paratus to obtain loan financing and to distribute and pay dividends without further consents from DBN”

Nimbus was empowered by the Acquisition agreement to waive this condition precedent.

2.2. Clause 19.6 and 19.7 of the Loan Agreement provides that:

19.6 No further debt to be incurred without the consent of DBN which consent will

not be unduly withheld; and

19.7 No dividends to be paid out by Paratus for the duration of the facility or without the consent of DBN.

2.3. DBN proposed that the condition set out in clause 19.6 of the Loan Agreement was to be retained and that DBN would waive the condition set out in clause 19.7 of the Loan Agreement subject to the following conditions:

2.3.1. Dividend policy to make provision for a clause stating that Paratus should maintain a debt service coverage ratio of at least 1.3 for any dividend to be distributed for the duration of the DBN loan.

2.3.2. The collateral position of DBN to remain the same and changes to the DBN collateral position should be communicated to DBN for its consideration or approval.

2.3.3. Paratus to obtain approval from the Competition Commission and to provide a copy of same to DBN.

2.3.4. Paratus to provide DBN with a copy of the dividend policy once concluded.

2.3.5. Paratus to provide DBN with its annual budgets after each budgeting period and as approved by the board.

2.4. The Nimbus board considered the proposal by DBN and deemed same to be acceptable to Nimbus.

3. FULFILMENT OF SUSPENSIVE CONDITIONS

All other conditions precedent in the Acquisition agreement have been fulfilled.

4. CLASSIFICATION OF NIMBUS

As Nimbus has completed the acquisition of a viable asset, Nimbus will apply to the Namibian Stock Exchange ("NSX") for a reclassification on the NSX.

Christiaan Cronjé
Company Secretary
Windhoek
26 January 2018

Sponsor



PSG Wealth Management (Namibia) (Pty) Ltd
Member of the Namibian Stock Exchange