

ALVIVA HOLDINGS LIMITED

Incorporated in the Republic of South Africa

(Registration number: 1986/000334/06)

Share code: AVV ISIN: ZAE000227484

("Alviva" or "the Company")

NON-BINDING EXPRESSION OF INTEREST TO ACQUIRE ALL OF THE ISSUED ORDINARY SHARES OF ALVIVA NOT EXCLUDED FROM THE OFFER AND CAUTIONARY ANNOUNCEMENT

1. Introduction

Shareholders are advised that the Company has received an expression of interest ("**EOI**") from a consortium of investors consisting of Tham Investments (Pty) Ltd ("**Tham**") and DY Investments 3 (Pty) Ltd ("**DY**") ("**the Consortium**") in relation to its proposed acquisition of all of the issued share capital of Alviva not owned by the Consortium ("**the Proposed Transaction**").

The Consortium has also invited key management of Alviva to participate in the Proposed Transaction as part of the Consortium and following release of this announcement, will commence with discussions in that regard.

The Proposed Transaction contemplates:

- a cash offer by the Consortium to acquire all of the ordinary shares of Alviva that is not owned by the Consortium or participating management for a purchase consideration of R25.00 per Alviva share, which represents a premium of c.30% to the 30-day volume weighted average traded price of R19.29 and a premium of c.28% to the closing price of R19.50 as at 24 June 2022, the date which represents the closing price prior to the EOI being received by the Company;
- The Offer is to be made by way of a scheme of arrangement in accordance with section 114 of the Companies Act, No 71 of 2008 (the "**Scheme**"); and
- the subsequent delisting of Alviva shares from the Johannesburg Stock Exchange.

2. The Consortium

Tham and DY are two major shareholders and empowerment partners of Alviva that currently own c. 18.6% of the issued share capital of the Company.

3. Rationale for the Proposed Transaction

The Proposed Transaction will result in Alviva becoming a majority black owned, privately held, ICT champion, repositioning the Company to drive the strategic direction of the business for future growth and expansion and also allows Alviva shareholders to exit for a cash consideration that is at a premium to the closing price of R19.50 as at 24 June 2022.

4. Conditions precedent to the submission of a binding offer to Alviva:

The Consortium requires conditions precedent that are usual and standard for submission of a firm intention of this nature being fulfilled to the Consortium's sole satisfaction, including the conclusion of all transaction and funding agreements, receipt of material lender, supplier and / or customer consents, obtaining the requisite support from key management of the Company and concluding employment contracts with key management on terms which are satisfactory to the Consortium.

The Consortium has received an offer of funding from Absa Bank (acting through its Corporate and Investment Banking division). The funding is subject to a firm intention offer which is still subject to the fulfilment of various conditions.

5. Conditions precedent to the posting and implementation of the Scheme:

The implementation of the Scheme will be subject to conditions customary of a transaction of this nature, including but not limited to:

- Alviva appointing an independent board and independent expert to opine on the offer;
- posting of a circular detailing the terms of the Proposed Transaction to shareholders;
- obtaining the required Alviva shareholder approval; and
- obtaining all required regulatory approvals.

6. Forfeitable Share Plan

The Consortium has been made aware of the fact that certain Forfeitable Share Plan awards have been allocated in the ordinary course by Alviva's remuneration committee to key members of management. The Consortium acknowledges and agrees that these will be awarded as soon as Alviva is out of its current prohibited/closed period.

7. General

If discussions are successfully concluded, detailed terms of the Proposed Transaction will be provided, in a firm intention announcement, in due course.

This announcement does not constitute an offer, undertaking or firm intention to make an offer to Alviva shareholders and accordingly, Alviva shareholders are advised to exercise caution when trading in their Alviva securities until a further announcement is made.

Midrand

30 June 2022

Corporate advisor and transaction sponsor to Alviva: Bravura Capital Proprietary Limited

Legal advisor to Alviva: TWB- Tugendhaft Wapnick Banchetti and Partners

Sponsor: Deloitte & Touche Sponsor Services (Pty) Ltd

Financial advisor, Bookrunner and Mandated Lead Arranger to the Consortium: Absa Corporate and Investment Banking, a division of Absa Bank Limited

Legal advisor to the Consortium: Webber Wentzel