

Zeda Limited
Incorporate in the Republic of South Africa
Registration number: 2022/493042/06
JSE share code: ZZD
ISIN: ZAE000315768
Zeda Limited (Zeda or the Company)

ABRIDGED PRE-LISTING STATEMENT 2022

NOT FOR RELEASE, PUBLICATION OR DISTRIBUTION, IN WHOLE OR IN PART, IN OR INTO ANY JURISDICTION WHERE TO DO SO WOULD CONSTITUTE A VIOLATION OF THE RELEVANT LAWS OF SUCH JURISDICTION OR REQUIRE THE COMPANY TO TAKE ANY FURTHER ACTION.

NOTHING IN THIS ANNOUNCEMENT CONSTITUTES (OR FORMS PART OF) ANY OFFER FOR THE SALE OF, OR SOLICITATION OF ANY OFFER TO PURCHASE OR SUBSCRIBE FOR, ANY SECURITIES OF ZEDA.

This Abridged Pre-Listing statement (Abridged Pre-Listing Statement) relates to the listing of 189,641,787 Zeda ordinary shares (the Zeda Distribution Shares), comprising 100% of the issued ordinary share capital of Zeda, on the Main Board of the JSE (the Listing), on Tuesday, 13 December, 2022 (the Listing Date) and a pro rata distribution in specie of such JSE-listed Zeda Distribution Shares for no consideration, in terms of section 46 of the South African Companies Act, No. 71 of 2008 (the Companies Act) and section 46 of the South African Income Tax Act, No. 58 of 1962 (the Income Tax Act), to holders of Barloworld Limited (Barloworld) ordinary shares (Barloworld Ordinary Shares) entitled to receive this distribution (Barloworld Ordinary Shareholders) on Monday, 19 December, 2022 (the Unbundling Operative Date).

The information in this Abridged Pre-Listing Statement has been extracted, in summarised form, from the full Pre-Listing Statement issued by the Company on Monday, 28 November, 2022. This Abridged Pre-Listing Statement is not complete and does not contain all of the information that investors should consider in relation to the Listing and the Unbundling.

This Abridged Pre-Listing Statement is not an offer or invitation to subscribe for, or purchase any, shares in the Company, but is issued in compliance with the JSE Listings Requirements for the purpose of providing information to selected persons in South Africa and other jurisdictions with regard to the Listing, the Unbundling and the business and affairs of the Company and its subsidiaries (the Zeda Group).

Capitalised words and expressions used in this Abridged Pre-Listing Statement shall, unless expressly defined herein or indicated otherwise by the context, bear the meanings given to them in the Pre-Listing Statement.

Background and introduction

As announced on the Stock Exchange News Services (SENS) by Barloworld on 21 November 2022 (Barloworld SENS Announcement), the board of directors of Barloworld has resolved to implement the separation of Zeda (trading under the "Avis" and "Budget" brands) from the Barloworld Group through the Unbundling (defined and described below), with the effect that Zeda will post separation become an independent publicly traded Company on the JSE (with separate public ownership, board of directors and management).

As announced in the Barloworld SENS Announcement, the separation will be achieved by Barloworld implementing the Unbundling through (the Unbundling):

- the pro rata distribution in specie of the 189,641,787 issued Zeda Distribution Shares held by Barloworld in Zeda (comprising 100% of the issued Zeda Shares) for no consideration to Barloworld Ordinary Shareholders in terms of section 46 of the South African Companies Act and section 46 of the South African Income Tax Act, on the basis that Barloworld Ordinary Shareholders recorded on the Barloworld securities register at 17:00 on the Unbundling Record Date will receive 1 Zeda Share for every 1 Barloworld Ordinary Share held and on such other terms and conditions as set out

- in the Barloworld SENS Announcement; and
- the simultaneous Listing of the Zeda Distribution Shares (and Zeda) on the Main Board of the JSE.

On the Unbundling Operative Date, the following events will have occurred:

- the Zeda Distribution Shares (and Zeda) will have been listed on the JSE on the Listing Date (which date precedes the Unbundling Operative Date); and
- Barloworld will have effected the distribution of all of the 189,641,787 issued Zeda Shares (comprising 100% of the issued Zeda Shares and all of the Zeda Shares held by Barloworld) to Barloworld Ordinary Shareholders on the basis set out above.

The JSE has approved the Listing of all the issued Zeda Distribution Shares to be distributed pursuant to the Unbundling, in the "Consumer Services" sector and "Rental and Leasing Services: Consumer" sub-sector on the Main Board of the JSE under the abbreviated name "Zeda" and share code "ZZD", subject to the Company obtaining the requisite spread of shareholders as required by the JSE Listings Requirements. It is expected that the Listing and unconditional dealings in the Zeda Distribution Shares will commence with effect from the commencement of trading on Tuesday, 13 December, 2022. The international securities identification number ("ISIN") for the Zeda Shares is ZAE000315768.

As at the date of this Abridged Pre-Listing Statement: (i) the authorised shares of Zeda consist of 2,000,000,000 Ordinary Shares of no par value; and (ii) the issued shares of Zeda consist of 189,641,787 issued Ordinary Shares of no par value. On the commencement of Zeda's Listing: (i) the authorised shares of Zeda will be the same as the confirmed numbers as at the date of this Abridged Pre-Listing Statement (being 2,000,000,000 authorised Ordinary Shares); and (ii) the issued shares of Zeda will be the same as the confirmed numbers as at the date of this Abridged Pre-Listing Statement (being 189,641,787 issued Ordinary Shares). All the Ordinary Shares in Zeda rank pari passu in all respects, there being no conversion or exchange rights attaching thereto, and have equal rights to participate in capital, dividend and distributions by Zeda. No Zeda Shares are, or on the Listing Date are expected to be, held in treasury by the Zeda Group.

As at the Last Practicable Date for the Pre-Listing Statement, based solely on the securities register of Barloworld (including any disclosures of beneficial interest in Barloworld Ordinary Shares made to Barloworld in accordance with applicable laws, if any) approximately 58.42% of the issued Barloworld Ordinary Shares was held by public shareholders. It is anticipated that, all things being equal and on the assumption that no Barloworld Ordinary Shareholder will be prevented from receiving and holding its pro rata portion of the Zeda Distribution Shares due to restrictions in their jurisdiction of domicile, following the Unbundling, approximately 58.42% of the Zeda Shares will be held by public shareholders. Accordingly, the level of public shareholders set out in paragraphs 4.25 and 4.26 of the JSE Listings Requirements will be achieved.

For the purposes of the Unbundling, Barloworld Ordinary Shareholders will be issued their respective Zeda Distribution Shares in Dematerialised form only. Accordingly, all Barloworld Ordinary Shareholders must appoint a CSDP under the terms of the South African Financial Markets Act, directly or through a Broker, to receive Zeda Distribution Shares on their behalf.

OVERVIEW OF THE ZEDA GROUP

Incorporation and Formation of the Zeda Group

Zeda was incorporated in South Africa on 17 May, 2022 under the South African Companies Act as a public Company with registration number: 2022/493042/06.

In order to facilitate the Listing and Unbundling, Barloworld implemented a restructuring (being the Restructuring) which, through a series of intra-group transactions in compliance with the applicable provision in Chapter II, Part III ("tax roll-over relief provisions") of the South African Income Tax Act, resulted in the integrated vehicle-based

mobility solutions business of Barloworld (being, the Business) being transferred to, and consolidated under, Zeda. Accordingly, following the Restructuring, Zeda is the:

- intermediate holding Company of the Business, through its holding of direct and indirect equity interests in several operating entities in South Africa and Greater Africa, which in turn houses and operates the entire Business; and
- Company that Barloworld intends to Unbundle to the Barloworld Ordinary Shareholders, through implementation of the Unbundling and simultaneous Listing on the JSE.

Overview of the Integrated Operating Model

With over 55 years of experience and a diversified customer base, the Zeda Group is an integrated vehicle mobility solutions business, providing car rental, fleet management and leasing solutions and operating in South Africa and 10 other countries in Sub-Saharan Africa under the well-established, highly recognisable "Avis" and "Budget" global brands pursuant to a long-term licence secured from ABG.

The Business of the Zeda Group is structured around the following two integrated business segments:

- Car Rental Business - being the Zeda Group's business segment that trades under the brand names "Avis" and "Budget" and generates rental revenue from offering short-term car rentals to a broad range of customers (including local leisure travelers, international inbound travellers, corporates, commercial partnerships, public sector entities, monthly subscribers, and short-term insurance and OEM replacements) for periods ranging from one day up to (but less than) 12 months through an extensive network of 139 directly-operated, agency-operated and sub-licensee operated branches across South Africa and 9 other Sub-Saharan African countries (namely, Botswana, Namibia, Mozambique, Lesotho, Malawi, Angola, eSwatini, Zimbabwe, Zambia). This business segment offers the following options to its customers: (i) self-drive; (ii) chauffeur driven services; and (iii) corporate shuttle services in specific key locations. In addition to a customer's car rental needs, complementary VAPS (such as baby seats, GPS, bike racks and the Avis Safe Drive product) are available to a customer; and
- Leasing Business - being the Zeda Group's business segment that trades as "Avis Fleet" and generates leasing revenue from offering long-term vehicle leasing solutions for periods of longer than 12 months to corporate customers, SMMEs and public sector entities (including national, provincial and local government) across South Africa and 6 other Sub-Saharan African countries (namely, Namibia, Botswana, Mozambique, Lesotho, Zambia and Ghana). Services include the leasing of vehicles (from motorcycles to heavy commercial vehicles) with an average duration of 45 months and the sale of VAPS such as telematics, intelligent fuel management, fleet accident management, roadside assistance, insurance and managed maintenance. In addition, the Leasing Business offers the administration of service and maintenance plans (either as Avis-branded plans or as OEM-branded plans), with maintenance risk being assumed by the Leasing Business on some of these plans while other plans are non-risk as the maintenance risk is assumed by the OEM.

In addition, each of the Car Rental Business and Leasing Business generates sales revenue through the sale of used cars that have been identified in each of the Car Rental Business and Leasing Business for de-fleeting. At the end of a used car's lifecycle, either due to the end of the customer contract in the Leasing Business or reaching the applicable time and/or mileage parameters for the Car Rental Business, the car is identified for de-fleeting and sold through the Car Sales disposal process. This disposal is either through 14 Avis retail branches or a digital wholesale process.

The Zeda Group is the only integrated mobility provider in Sub-Saharan Africa offering both short-term car rental and long-term fleet management and leasing solutions to a broad base of customers in the Sub-Saharan African marketplace, with fleet sizes of approximately 33,000 vehicles between the Car Rental and Leasing Businesses. In addition, the Leasing Business manages an additional 215,000 vehicles pursuant to various product offerings as at 30 September 2022.

As reported by SAVRALA in the latest reporting statistics (being 31 August 2022), the Zeda Group is a market leader in the car rental and full maintenance leasing industries in South Africa with:

- the Car Rental Business having a reported revenue market share of 38.1% for the twelve-month period September 2021 to August 2022; and
- the full maintenance leasing component of the Leasing Business having a reported market share of 21.9%.

The Zeda Group's integrated vehicle-based mobility solutions offering (which includes the Car Rental Business and the Leasing Business) has complementary revenue streams. The contracted nature of the Leasing Business provides annuity type revenue complementing the revenue generated from the Car Rental Business, which has a discretionary component (i.e. rental from local or long-haul leisure customers) that is seasonal in nature and can be impacted by any imposed travel restrictions of the nature experienced in the Covid-19 pandemic. In addition, the Car Rental Business has an inherent complementing revenue stream from its customer segments which are contractual in nature (i.e. rentals pursuant to corporate, public sector or short-term insurance or OEM replacement customer contracts). In addition, the agility of the integrated operating model allows for flexibility to right-size its fleet through Car Sales in the cyclical car rental industry, while providing upside in times of higher inflation.

The Zeda Group employs approximately 1,600 employees in 7 corporate countries across its operations.

Financial performance overview

This section should be read in conjunction with Annexure 1, 2, 3A, 3B, 3C, 3D, 4A and 4B of the Pre-Listing Statement.

For the financial year ended 30 September 2021, the Business reported combined carve-out revenue of R7,672 million, incurred combined carve-out operating expenses of R5,047 million, and reported combined carve-out EBITDA of R2,196 million. Of the combined carve-out revenue for the financial year ended 30 September 2021: (i) the Car Rental Business contributed R1,731 million (22.6%); (ii) the Leasing Business contributed R1,989 million (25.9%); and (iii) sales revenue of R3,952 million (51.5%) was generated from the sale of used cars de-fleeted from the inventory of the Car Rental Business and Leasing Business through Car Sales.

For the six months ended 31 March 2022, the Business reported combined carve-out revenue of R3,705 million, incurred combined carve-out operating expenses of R2,063 million, and reported consolidated EBITDA of R1,403 million. Of the combined carve-out revenue for the six months ended 31 March 2022: (i) the Car Rental Business contributed R1,200 million (32.4%); (ii) the Leasing Business contributed R968 million (26.1%); and (iii) sales revenue of R1,537 million (41.5%) was generated from the sale of used cars de-fleeted from the inventory of the Car Rental Business and Leasing Business through Car Sales.

The revenue generated through Car Sales, as briefly discussed above and elsewhere, was driven by a buoyant used car market and the implementation of various other portfolio optimization strategies (discussed immediately below).

In response to the disruption caused by the Covid-19 pandemic, Zeda Group's management has executed a strategy which has focused on portfolio optimisation and unlocking long-term value. The execution of this strategy has resulted in a strong financial turnaround of the Business. Some of the key focus areas of Zeda Group's management have been the following:

- right-sizing the Business' fleet to match customer demand and size of the car rental and leasing market, including in response to the reduced customer demand and market size arising from the impact of Covid-19;
- the review and closure of non-profitable business lines;
- the reduction of footprint in non-strategic and low-throughput rental branches and used car retail branches;
- the conversion of selected corporate-operated branches into agency-operated branches;
- the restructuring of the staff headcount in line with the severely impacted rental market as a result of Covid-19;
- the re-activation of its monthly subscription offering to diversify revenue streams towards non-tourism related travel (a particularly attractive offering to customers who want to link mobility to a contract in time of uncertainty, or who want greater flexibility);
- the introduction of medium to heavy commercial vehicle leasing;

- the integration of the Car Rental Business and Leasing Business which were previously operated as autonomous entities;
- as part of the abovementioned integration, the consolidation of functional support areas into a shared services function, as identified by the Zeda Group's management, in order to realise efficiencies within certain departments, including finance, human capital, operational excellence, information technology functions; and
- a sharpened focus on operational efficiencies supported by the deployment of lean methodologies.

Directors

The full names, ages, nationalities, business addresses and capacities of the Directors of the Company are set out below:

Full name, age and nationality	Position
Mr. Sibani Mngomezulu (50), South African	Chairperson and Independent non-executive Director
Ms. Ramasela Joyce Ganda (47), South African	Chief Executive Officer
Ms. Thobeka Nonkanyiso Maureen Ntshiza (42), South African	Financial Director
Dr. Ngao Dorcas Lenyalo Motsei (57), South African	Independent non-executive Director
Ms. Sihle Yolanda Miya (43), South African	Independent non-executive Director
Mr. Donald Gert Wilson (65), South African	Independent non-executive Director

Business Address for all Directors: 2 Sysie Road, Croydon, 1601

Expected timetable of principal events

The following timetable sets out the dates for implementation of the Listing and Unbundling:	2022
Abridged Pre-Listing Statement published on SENS	Monday, 28 November
Pre-Listing Statement posted to Barloworld Ordinary Shareholders	Monday, 28 November
Publication of the Unbundling finalisation announcement by Barloworld	Monday, 28 November
Last day to trade for Barloworld Ordinary Shareholders to be entitled to participate in the Unbundling	Monday, 12 December
Listing of Zeda Distribution Shares on the JSE under the abbreviated name Zeda, share code ZZD and ISIN ZAE000315768 expected at commencement of trade	Tuesday, 13 December
Barloworld Ordinary Shares commence trading "ex" entitlement to Zeda Shares	Tuesday, 13 December
Announcement of specified ratio in respect of apportionment of costs/base costs of Zeda for taxation/CGT purposes released on SENS	by 11:00 on Wednesday, 14 December
Unbundling Record Date to receive JSE-listed Zeda Distribution Shares pursuant to the Unbundling	17:00 on Thursday, 15 December
Closing price of Barloworld Ordinary Shares and Zeda Shares to be published after market close on SENS	Thursday, 15 December
Unbundling Operative Date, being the date on which JSE-listed Zeda Distribution Shares are unbundled to Barloworld Ordinary Shareholders	Monday, 19 December
Barloworld Ordinary Shareholders' CSDP and/ or Broker Accounts expected to be updated and credited with JSE-listed Zeda Distribution Shares	Monday, 19 December

Notes:

1. The dates and times listed above may be subject to change. Any material changes to the above dates and time will be released on SENS and published in the South African press.
2. All references to times shown in this Abridged Pre-Listing Statement are to South African standard time.
3. There may be no rematerialisation or Dematerialisation of Barloworld Ordinary Shares between Tuesday, 13 December, 2022 and Thursday, 15 December, 2022, both days inclusive.

Copies of the Pre-Listing Statement and other documents relating to the admission and Unbundling

The Pre-Listing Statement is available in English only and may be obtained by Barloworld Ordinary Shareholders on Business Days during normal business hours for 14 days from Monday, 28 November, 2022, from the registered address of the Company and the Sponsor as set out in the "Corporate Information" section of the Pre-Listing Statement, as well as at <https://www.barloworld.com/investors/> and <https://www.zeda.co.za/investors/>.

Johannesburg | Monday, 28 November, 2022

Financial Advisor to Barloworld	Goldman Sachs
South African Legal Advisor to Barloworld and Zeda	Bowmans
Financial Reporting Consultant to Zeda	KPMG
Auditor and Independent Reporting Accountant	SizweNtsalubaGobodo Grant Thornton
Sponsor to Barloworld and Zeda	Nedbank CIB
Transfer Secretaries	JSE Investor Services

Disclaimer

The release, publication or distribution of this Abridged Pre-Listing Statement in certain jurisdictions may be restricted by law and therefore persons into whose possession this Abridged Pre-Listing Statement comes should inform themselves about and observe any such applicable restrictions and requirements. Any failure to comply with these restrictions or requirements may constitute a violation of the securities laws of any such jurisdiction. To the fullest extent permitted by applicable law, the Company disclaims any responsibility or liability for violation of such restrictions or requirements by any person. This Abridged Pre-Listing Statement has been prepared for the purposes of complying with the JSE Listings Requirements and the information disclosed may not be the same as that which would have been disclosed if this Abridged Pre-Listing Statement had been prepared in accordance with the laws and regulations of any jurisdiction outside of South Africa.

This Abridged Pre-Listing Statement does not constitute an offer or form part of any offer or invitation to purchase, subscribe for, sell or issue, or a solicitation of any offer to purchase, subscribe for, sell or issue, any securities including the Zeda Distribution Shares (whether pursuant to this Abridged Pre-Listing Statement or otherwise) in any jurisdiction, including an offer to the public or section of the public in any jurisdiction. Consequently, this Abridged Pre-Listing Statement does not comprise a prospectus or a prospectus equivalent announcement in any jurisdiction, nor does it constitute an advertisement of an offer as envisaged in the Companies Act or in any jurisdiction.

No action has been taken or will be taken to permit an offering of any shares or the possession or distribution of this document (or any other offering or publicity materials relating to the Zeda Distribution Shares) in any jurisdiction where action for that purpose may be required or doing so is restricted or prohibited by law.

No action has been taken by Barloworld or Zeda to obtain any approval, authorisation or exemption to permit the distribution of the Zeda Distribution Shares or the possession or distribution of the Pre-Listing Statement (or any other publicity material relating to the Zeda Distribution Shares) in any jurisdictions other than South Africa, the

United States of America (US) and the United Kingdom of Great Britain and Ireland (UK).

The Unbundling is being conducted under the procedural requirements and disclosure standards of South Africa which may be different from those applicable in other jurisdictions. The legality of the Unbundling to persons resident or located in jurisdictions outside of South Africa (Foreign Shareholder) may be affected by the laws of the relevant jurisdiction. Such persons should consult their professional advisors and inform themselves about any applicable legal requirements, which they are obligated to observe. It is the responsibility of any such person wishing to participate in the Unbundling to satisfy themselves as to the full observance of the laws of the relevant jurisdiction in connection therewith.

In respect of Foreign Shareholders resident in the US, the distribution of the Zeda Distribution Shares in terms of the Unbundling meets the conditions of Staff Legal Bulletin No. 4 of the staff of the SEC for "spin-off" transactions and accordingly the distribution of the Zeda Distribution Shares is being conducted without registration under the US Securities Act and Foreign Shareholders resident in the US are eligible, if the Unbundling is implemented, to receive Zeda Distribution Shares.

This Abridged Pre-Listing Statement will not constitute a prospectus for the purposes of Regulation (EU) 2017/1129 as it forms part of domestic law in the UK by virtue of the European Union (Withdrawal) Act 2018, as amended (as amended or supplemented, the UK Prospectus Regulation). In terms of the Unbundling, the Zeda Distribution Shares will not: (i) be admitted to trading on a regulated market situated or operating in the United Kingdom; and (ii) be "offered to the public" in the UK (other than pursuant to one or more of the exemptions set out in Article 1(4) of the UK Prospectus Regulation).

This Abridged Pre-Listing Statement will not constitute a prospectus for the purposes of Regulation (EU) 2017/1129 (as amended or supplemented) (the EU Prospectus Regulation). In terms of the Unbundling, the Zeda Distribution Shares will not: (i) be admitted to trading on a regulated market situated or operating in the European Economic Area; and (ii) be offered to the public in the European Economic Area (other than pursuant to one or more of the exemptions set out in Article 1(4) of the EU Prospectus Regulation).

Foreign Shareholders are reminded that they may dispose of their Barloworld Ordinary Shares prior to the last date to trade, anticipated to be Monday, 12 December 2022, in which case they will not participate in the Unbundling.

Foreign Shareholders are referred to the Pre-Listing Statement for further detail regarding treatment of Foreign Shareholders in connection with the Unbundling.

Forward Looking Statements

Certain statements contained in this Abridged Pre-Listing Statement, other than historical facts, constitute or may be deemed to constitute, 'forward-looking statements'. These forward-looking statements are not based on historical facts, but rather reflect current expectations concerning future results and events and generally may be identified by the use of forward-looking words or phrases such as 'believes', 'expects', 'aims', 'estimates', 'anticipates', 'may', 'should', 'could', 'intends', 'plans', 'seeks' or words of similar import. Examples of forward-looking statements include statements regarding a future financial position or future profits, dividends, cash flows, corporate strategy, estimates of capital expenditures, acquisition strategy, or future capital expenditure levels, and other economic factors, such as, amongst other things, interest and exchange rates. By their nature, forward-looking statements involve risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. The Company cautions that forward-looking statements are not guarantees of future performance or results. Actual results, performance or achievements of the Zeda Group, or industry results, may be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. The Company expressly disclaims any duty, and do not intend to release publicly any updates or revisions to these forward-looking statements to reflect events, circumstances or unanticipated events occurring after the date of this Abridged Pre-Listing Statement except as required by law or by any appropriate regulatory authority. In light of these risks and uncertainties, there can be no assurance that the results and events contemplated by the forward-looking statements

contained in this Abridged Pre-Listing Statement will in fact transpire.