

ETION LIMITED

(Incorporated in the Republic of South Africa)
(Registration Number: 1987/001222/06)
(Share Code: ETO)
(ISIN: ZAE000257739)
("Etion" or "the Company")

The logo for Etion Limited, consisting of the word "ETION" in a bold, black, sans-serif font. The letters are spaced out, with a significant gap between the 'E' and 'T', and another between the 'I' and 'O'.

ANNOUNCEMENT IN RESPECT OF THE SCHEME OF ARRANGEMENT AND DELISTING

All capitalised terms used but not defined in this announcement shall bear the meanings ascribed to them in the Circular (as defined below).

Shareholders of Etion ("**Shareholders**") are referred to the Circular distributed to Shareholders on Friday, 2 December 2022 ("**Circular**"), regarding a scheme of arrangement in terms of section 114 of the Companies Act, between Etion and the Exiting Shareholders ("**Scheme**"), and the subsequent Delisting of the Etion Shares from the AltX Board of the JSE following the implementation of the Scheme.

Shareholders are also referred to the finalization announcement released on SENS on 18 January 2023 advising that the Scheme is unconditional.

Shareholders are advised that in respect of the Scheme Consideration of R313 717 359, R240 432 166 will qualify as a dividend for tax purposes and the remaining portion of R73 285 193 constitutes contributed tax capital.

Accordingly, in respect of each Scheme Share of 55.58 cents, 42.60 cents will qualify as a dividend for tax purposes ("**Dividend Portion**") and the remaining portion of 12.98 cents constitutes contributed tax capital. The maximum local dividend tax rate is 20%. The net amount of the Dividend Portion is 34.08 cents per share for Shareholders liable to pay dividend tax at the maximum rate.

For more detailed information Shareholders are advised to refer to the tax considerations set out in Annexure 4 of the Circular and the disclaimers set out below.

RESPONSIBILITY STATEMENT

The Independent Board individually and collectively accepts full responsibility for the accuracy of the information contained in this announcement. In addition, the Independent Board certifies that to the best of its knowledge and belief, the information contained in this announcement solely pertaining to the Company is true and, where appropriate, does not omit anything that is likely to affect the importance of the information contained herein, and that all reasonable enquiries to ascertain such information have been made.

The Board individually and collectively accepts full responsibility for the accuracy of the information contained in this announcement. In addition, the Board certifies that to the best of its knowledge and belief, the information contained in this announcement solely pertaining to the Company is true and, where appropriate, does not omit anything that is likely to affect the importance of the information contained herein, and that all reasonable enquiries to ascertain such information have been made.

19 January 2023

Transaction Adviser and Designated Advisor

PSG Capital



Disclaimers

The summary of the tax considerations pertaining to the Scheme is based on the current laws that are applicable as at the date of the Circular and is subject to potential changes that may be made to such laws subsequently, which could be retrospective. The summary set out in the Circular is a general guide and is not intended to constitute a complete analysis of the tax consequences of the Scheme provisions in terms of South African tax law. It is not intended to be, nor should it be considered as legal or tax advice. Etion and its advisors cannot be held responsible for the tax consequences of the Scheme and therefore Shareholders are advised to consult their own tax advisors in this regard.

Etion Shareholders that are not resident for South African tax purposes should consult their own professional tax advisors pertaining to the tax consequences of the Scheme, having regard to the tax laws in their jurisdiction and the application of any tax treaties concluded between South Africa and their country of residence.

In particular, the Scheme may create a tax liability for non-resident shareholders in certain jurisdictions or give rise to other unanticipated tax consequences. Etion has not established these consequences and each non-resident shareholder should thus consult its own tax advisor pertaining to the tax consequences of the Scheme.