

---

**AYO TECHNOLOGY SOLUTIONS LIMITED**

(Incorporated in the Republic of South Africa)

Registration number: 1996/014461/06

JSE share code: AYO

ISIN: ZAE000252441

("AYO" or "the Company")

---

**DISTRIBUTION OF CIRCULAR AND NOTICE OF GENERAL MEETING**

---

**1. INTRODUCTION**

Shareholders are referred to the announcements released on SENS on 18 May 2023 and 30 June 2023 (and using the terms defined therein unless otherwise specified) regarding the conclusion of the Settlement Agreement between AYO, the GEPI and the PIC in terms of which AYO will, *inter alia*, repurchase 17 202 756 AYO ordinary shares from the GEPI for an aggregate consideration of R619 423 100 ("**Initial Specific Repurchase**").

Shareholders are hereby advised that on 23 June 2023, AYO, the GEPI and the PIC agreed to extend the date, as set out in the Settlement Agreement, by which the Company's Memorandum of Incorporation ("**MOI**") is to be amended to give effect to certain agreed terms pertaining to its Board and minorities, and to file same with the Companies and Intellectual Property Commission ("**CIPC**"), from the date of three months from the Signature Date, to a date of no later than 30 July 2023. Shareholders will be provided with an update in due course.

**2. DISTRIBUTION OF CIRCULAR**

Shareholders are hereby advised that the Circular setting out the details of the Initial Specific Repurchase and incorporating, *inter alia*, the Fairness Opinion and a notice of the General Meeting ("**Notice of General Meeting**"), has been distributed to AYO shareholders today, 28 July 2023.

The Circular is also available on AYO's website at <https://ayotsl.com/investor-centre/>.

**3. NOTICE OF GENERAL MEETING**

Notice is hereby given that the General Meeting will be held at 10:00 on Monday, 28 August 2023 by way of electronic communication as permitted by the JSE, the provisions of the Companies Act and the Company's MOI, to consider and, if deemed fit, to pass, with or without modification, the resolutions required to approve the Initial Specific Repurchase.

In terms of section 62(3)(a), as read with section 59 of the Companies Act, the record date for the purposes of determining which AYO shareholders will be entitled to attend, participate and vote at the General Meeting is Friday, 18 August 2023. Therefore, the last day to trade to be eligible to attend, participate and vote at the General Meeting is Tuesday, 15 August 2023.

Shareholders are referred to the section commencing on page 2 of the Circular entitled "Action Required by AYO Shareholders" which sets out on the procedure to be followed by Shareholders in order to participate and to exercise their votes at the General Meeting.

#### **4. OPINION AND RECOMMENDATIONS**

While the Board and management were of the view that AYO would have been successful in the legal proceedings between the Company, the PIC and the GEPP, the Board was also mindful that in such a scenario, it could risk the possibility of an appeal which would result in ongoing legal costs over a protracted period and a hostile shareholder. Alternatively, the risk of a negative outcome would potentially have resulted in the liquidation of AYO. In the Board's view, both scenarios would have resulted in further destruction of shareholder value and the erosion of subsidiaries' value over time. It was therefore deemed prudent to settle with the PIC when the opportunity arose, which was aligned to the proposals made by AYO's Directors during the mediation process with the PIC and the GEPP.

Based on the above, the Board is of the opinion that the Initial Specific Repurchase is in the best interests of AYO and will have a beneficial effect on the AYO group.

AYO's directors, having considered the terms and conditions of the Initial Specific Repurchase, and the Fairness Opinion prepared by the Independent Expert which states that the Initial Specific Repurchase is unfair to AYO shareholders, are of the opinion that the Initial Specific Repurchase is unfair but reasonable to AYO shareholders.

Accordingly, the directors recommend that shareholders vote in favour of the resolutions to be proposed at the General Meeting, as set out in the Notice of General Meeting, to approve the Initial Specific Repurchase.

#### **5. BOARD RESPONSIBILITY STATEMENT**

The Board accepts responsibility for the information contained in this announcement. To the best of the Board's knowledge and belief, the information contained herein is true and this announcement does not omit anything likely to affect the importance of such information.

Cape Town  
28 July 2023

**Sponsor and Corporate Adviser**  
Vunani Sponsors

**Lead Sponsor**  
Merchantec Capital