
AFRICAN EQUITY EMPOWERMENT INVESTMENTS LIMITED

(Incorporated in the Republic of South Africa)

(Registration number 1996/006093/06)

Share Code: AEE

ISIN ZAE000195731

("AEEI" or "the Company")

COMPETITION TRIBUNAL UPDATE - CLARIFICATION

Shareholders are referred to the announcement released on SENS on 3 August 2023 by AEEI titled "Competition Tribunal Update" (and using the terms defined therein unless otherwise stated) wherein shareholders were advised that:

- AEEI, together with 35 others, including Sekunjalo ("**Applicants**"), filed a complaint on 15 December 2021 with the Competition Commission for investigation on the conduct by certain banks in relation to possible contraventions of sections 4, 5 and 8 of the Competition Act. Additionally, on 22 December 2021, the Applicants submitted an application in terms of section 49C of the Competition Act requesting the Competition Tribunal to provide interim relief pending the investigation of the aforementioned complaint with the Competition Commission.
- On 16 September 2022, interim relief was granted by the Competition Tribunal in favour of the Applicants ("**Interim Order**"). The Interim Order was granted for the earlier of a six month period from such date or the finalisation of the investigation by the Competition Commission, with an extension having been granted by the Competition Tribunal to the Applicants for a further period of six months to mid-September 2023.
- Following the granting of the Interim Order, three banks, namely: Standard Bank of South Africa Limited ("**Standard Bank**"), Access Bank Limited and Mercantile Bank, a division of Capitec Bank Limited, filed an appeal to the Competition Appeal Court to set aside the Interim Order, as it pertained to them. The matter was heard on 31 March 2023 and judgement was reserved ("**Judgement**").
- During July 2023, the Competition Appeal Court ruled in favour of the aforementioned banks, setting aside the Competition Tribunal's Interim Order. The Judgement reflects that the Applicants had not made out a case that the refusals to provide banking and payment services to the Applicants were anticompetitive. Therefore, no *prima facie* case was made out in the Applicants' case in terms of a prohibited practice by the banks, either in terms of section 4(1)(a) or sections 8(1)(c) or 8(1)(d)(ii) of the Competition Act.
- Additionally, shareholders were advised that the impact of the Judgement on AEEI and its subsidiaries was immaterial as alternative banking facilities and third-party solutions had already been put in place to ensure continuity of these businesses.

After careful consultation with the JSE, the Company felt it prudent to clarify that the Company does not currently bank with abovementioned banks which are party to the Interim Order and that AEEI and its subsidiaries, notwithstanding that certain subsidiaries bank with Standard Bank, all have operating bank accounts at present.

The Company refers to the aforementioned third-party solutions to provide assurance to shareholders that contingency plans are in place, in the event the Company and/or its subsidiaries become unbanked. At present, the Interim Order is immaterial to the operations of the Company.

The investigation in relation to the complaint with the Competition Commission is still pending and shareholders will be provided with an update thereto in due course.

Cape Town
1 September 2023

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