

THIS SUPPLEMENTARY CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

The definitions and interpretations commencing on page 5 of this Supplementary Circular, apply *mutatis mutandis* throughout this Supplementary Circular, unless the context clearly indicates otherwise.

This Supplementary Circular has been issued to provide Shareholders with: (i) information pertaining to the Addendum to the Settlement Agreement, including the proposed amendments to the Company's MOI; (ii) the Updated Fairness Opinion; (iii) the notice convening the Rescheduled General Meeting; and (iv) the Supplementary Circular Form of Proxy.

This Supplementary Circular is important and should be read in its entirety, together with the Circular dated 28 July 2023, and with particular attention to the section entitled "Action required by AYO Shareholders" commencing on page 2 of this Supplementary Circular.

If you are in any doubt as to the action you should take, please consult your broker, CSDP, banker, accountant, attorney or other professional advisor immediately. If you have disposed of all your Shares in AYO, then this Supplementary Circular, together with the attached Notice of Rescheduled General Meeting and Supplementary Circular Form of Proxy, should be forwarded to the purchaser to whom, or the broker, CSDP, banker or agent through whom, you disposed of your Shares.

AYO does not accept responsibility and will not be held liable for any action of, or omission by, any CSDP or broker including, without limitation, any failure on the part of the CSDP or broker of a Dematerialised Shareholder to notify such Shareholder of the Rescheduled General Meeting or any business to be concluded thereat.

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")



SUPPLEMENTARY CIRCULAR TO AYO SHAREHOLDERS

regarding:

- the proposed Initial Specific Repurchase of 17 202 756 AYO Shares from the GEPP for an aggregate consideration of R619 423 100; and
- the proposed amendments to the Company's MOI;

incorporating:

- the Updated Fairness Opinion prepared by the Independent Expert;
- the Notice of Rescheduled General Meeting; and
- the Supplementary Circular Form of Proxy (for use by Certificated Shareholders and Dematerialised Shareholders with "own name" registration only).

Lead Sponsor and
Independent Expert



Corporate Advisor and Sponsor



Legal Advisor



Date of issue: Monday, 27 May 2024

This Supplementary Circular is available in English only. Copies of this Supplementary Circular may be obtained during normal business hours from the registered offices of AYO, the Lead Sponsor and the Corporate Advisor and Sponsor, at their respective addresses set out in the "Corporate Information and Advisors" section of this Supplementary Circular, from the date of issue of this Supplementary Circular up to and including the date of the Rescheduled General Meeting, and on the Company's website at www.ayotsl.com.

CORPORATE INFORMATION AND ADVISORS

AYO Technology Solutions Limited

Date of incorporation: 23 October 1996

Place of incorporation: South Africa

Company Secretary and Registered Office

Wazeer Moosa

(Registration number 1996/014461/06)
10th Floor, Convention Towers
Cnr Heerengracht and Walter Sisulu Avenue
Foreshore
Cape Town, 8001
(PO Box 181, Cape Town, 8000)

Lead Sponsor and Independent Expert

Merchantec Proprietary Limited
(Registration number 2008/027362/07)
13th Floor, Illovo Point
68 Melville Road
Illovo, Sandton, 2196
(PO Box 41480, Craighall, 2024)

Corporate Advisor and Sponsor

Vunani Sponsors Proprietary Limited
(Registration number 2019/431743/06)
Vunani House, Block C, Vunani Office Park
151 Katherine Street
Sandton, 2196
(PO Box 652419, Benmore 2010)

Legal Advisor

Smith Tabata Buchanan Boyes Inc.
(Registration number 1992/003316/21)
2nd Floor, Buchanan's Chambers
Corner Warwick Street and Pearce Road
Claremont, 7735
(PO Box 23355, Claremont, 7735)

Transfer Secretaries

JSE Investor Services Proprietary Limited
(Registration number 2000/007239/07)
Fifth Floor, One Exchange Square
2 Gwen Lane
Sandown, Sandton, 2196
(PO Box 4844, Johannesburg, 2000)

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Supplementary Circular Form of Proxy <i>(for use by Certificated Shareholders and Dematerialised Shareholders with "own name" registration only)</i>	Enclosed

ACTION REQUIRED BY AYO SHAREHOLDERS

Please take careful note of the following provisions regarding the actions required of Shareholders.

If you are in any doubt as to what action you should take, please consult your broker, CSDP, banker, accountant, attorney or other advisor immediately.

If you have disposed of all your Shares in AYO, then this Supplementary Circular, together with the attached Notice of Rescheduled General Meeting and Supplementary Circular Form of Proxy, should be forwarded to the purchaser to whom, or the broker, CSDP, banker or other agent through whom, you disposed of your Shares.

Electronic participation at the Rescheduled General Meeting

The Rescheduled General Meeting, convened in terms of the Notice of Rescheduled General Meeting, will be held entirely by electronic communication as permitted by the JSE, the provisions of the Companies Act and the MOI, commencing at 10:00 on Wednesday, 26 June 2024, to consider and, if deemed fit, to pass, with or without modification, the resolutions required to approve the Initial Specific Repurchase and the MOI Amendments.

In this respect, the Company has retained the services of the Transfer Secretaries, JSE Investor Services, to facilitate the Rescheduled General Meeting on an interactive electronic platform, in order to facilitate remote participation and voting by Shareholders. The Transfer Secretaries will also act as scrutineer.

Shareholders who wish to participate in the Rescheduled General Meeting, including proxy holders, will be required to submit the duly completed Supplementary Circular Electronic Participation Form, found on page 29 of this Supplementary Circular, together with the relevant documents to JSE Investor Services at meetfax@jseinvestorservices.co.za, as provided for on the form by no later than 10:00 on Friday, 21 June 2024. Shareholders are strongly encouraged to complete their verification well ahead of time.

Once your shareholding, identity and authority (if the Shareholder is not an individual) have been verified by JSE Investor Services, you will be provided with details on how to join the Rescheduled General Meeting web stream. A live voting function will **not** be available, and Shareholders will be required to send their duly completed Supplementary Circular Forms of Proxy to JSE Investor Services via email by 10:00 on Monday, 24 June 2024 for administrative purposes. Any Supplementary Circular Forms of Proxy not delivered by this time may be forwarded to the Transfer Secretaries at any time prior to the commencement of voting on any Resolutions proposed at the Rescheduled General Meeting.

Shareholders that choose not to participate in the Rescheduled General Meeting can still submit their completed Supplementary Circular Forms of Proxy to JSE Investor Services at meetfax@jseinvestorservices.co.za by no later than 10:00 on Monday, 24 June 2024.

The Transfer Secretaries will assist Shareholders with the requirements for electronic participation at the Rescheduled General Meeting. The Transfer Secretaries are further obliged to validate (in correspondence with the Company), each such Shareholder's entitlement to participate at the Rescheduled General Meeting, before providing it with the necessary means to access the Rescheduled General Meeting. For further information in this regard, please see the details contained in the Notice of Rescheduled General Meeting.

While the Company will incur all costs for the hosting of the Rescheduled General Meeting by way of a remote interactive electronic platform, Shareholders will be liable for their own network charges in relation to electronic participation in and/or voting at the Rescheduled General Meeting. Any such charges will not be for the account of the JSE, the Company or the Transfer Secretaries. None of the JSE, the Company or the Transfer Secretaries can be held accountable in the case of loss of network connectivity or other network failure due to insufficient airtime, internet connectivity, internet bandwidth and/or power outages which prevents any such Shareholder from participating in and/or voting at the Rescheduled General Meeting.

1. If you have dematerialised your Shares without "own-name" registration

1.1 Voting at the Rescheduled General Meeting

- 1.1.1 Your CSDP/broker is obliged to contact you in the manner stipulated in the agreement concluded between you and your CSDP/broker to ascertain how you wish to cast your vote at the Rescheduled General Meeting and thereafter to cast your vote in accordance with your instructions.

- 1.1.2 If you have not been contacted, it would be advisable for you to contact your CSDP/broker and furnish it with your voting instructions.
- 1.1.3 If your CSDP/broker does not obtain voting instructions from you, it will be obliged to act in accordance with the instructions contained in the agreement concluded between you and your CSDP/broker.
- 1.1.4 You must not complete the attached Supplementary Circular Form of Proxy.

1.2 Attendance and representation at the Rescheduled General Meeting

- 1.2.1 If you wish to attend the Rescheduled General Meeting, you must advise your CSDP/broker in accordance with the agreement concluded between you and your CSDP or broker, and your CSDP/broker will issue you with the necessary letter of representation for you to attend the Rescheduled General Meeting.
- 1.2.2 Unless you advise your CSDP/broker, in accordance with the terms of the agreement concluded between you and your CSDP/broker, that you wish to attend the Rescheduled General Meeting and have been provided with a letter of representation from it or instructed it to send its proxy to represent you at the Rescheduled General Meeting, your CSDP/broker may assume that you do not wish to attend the Rescheduled General Meeting and act in accordance with the agreement between you and your CSDP/broker.

2. If you have not dematerialised your Shares or if you have dematerialised your Shares with “own-name” registration

2.1 Voting, attendance and representation at the Rescheduled General Meeting

- 2.1.1 Shareholders are strongly encouraged to submit votes by proxy before the Rescheduled General Meeting.
- 2.1.2 You are, however, entitled to attend the Rescheduled General Meeting by electronic communication and may speak at the Rescheduled General Meeting.
- 2.1.3 For clarity, a live voting function will not be available and Shareholders will be required to send their duly completed Supplementary Circular Forms of Proxy to JSE Investor Services via email at meetfax@jseinvestorservices.co.za by 10:00 on Monday, 24 June 2024 for administrative purposes. Any Supplementary Circular Forms of Proxy not delivered by this time may be forwarded to the Transfer Secretaries at any time prior to the commencement of the voting on any Resolutions proposed at the Rescheduled General Meeting.
- 2.1.4 If you are unable to attend the Rescheduled General Meeting, you may appoint a proxy to represent you at the Rescheduled General Meeting by completing the attached Supplementary Circular Form of Proxy in accordance with the instructions it contains and returning it to the Transfer Secretaries to be received by email at meetfax@jseinvestorservices.co.za by no later than 10:00 on Monday, 24 June 2024, for administrative purposes. Any Supplementary Circular Forms of Proxy not delivered by this time may be forwarded to the Transfer Secretaries at any time prior to the commencement of voting on any Resolutions proposed at the Rescheduled General Meeting. Where there are joint holders of Shares, any one of such persons may vote at the Rescheduled General Meeting in respect of such Shares as if that person is solely entitled thereto, but if more than one of such joint holders are present or represented at the Rescheduled General Meeting, the person whose name appears first in the Register in respect of such Shares or its/his/her proxy, as the case may be, shall alone be entitled to vote in respect of such Shares.

If you wish to dematerialise your AYO Shares, please contact your CSDP or broker.

Identification of Shareholders and proxies

In terms of section 63(1) of the Companies Act, before any person may participate in the Rescheduled General Meeting, that person must present reasonably satisfactory identification and the person presiding at the Rescheduled General Meeting must be reasonably satisfied that the right of the person to participate and vote at the Rescheduled General Meeting, either as an AYO Shareholder, or as a proxy or a representative for an AYO Shareholder, has been reasonably verified. Acceptable forms of identification include a valid green bar-coded or smart card identification document issued by the South African Department of Home Affairs, a South African driver's licence or a valid passport. Only those Shareholders who are fully verified (as required in terms of section 63(1) of the Companies Act) and subsequently registered at the commencement of the Rescheduled General Meeting with the Transfer Secretaries in accordance with what is set out above, will be allowed to participate in and/or vote at the Rescheduled General Meeting.

SALIENT DATES AND TIMES

2024

Record date to determine which Shareholders are entitled to receive this Supplementary Circular and Notice of Rescheduled General Meeting	Friday, 17 May
Supplementary Circular distributed to Shareholders and notice convening the Rescheduled General Meeting announced on SENS	Monday, 27 May
Last day to trade to be entitled to vote at the Rescheduled General Meeting	Tuesday, 18 June
Record date to be entitled to participate and vote at the Rescheduled General Meeting	Friday, 21 June
For administrative purposes only, Supplementary Circular Forms of Proxy to be lodged by no later than 10:00 on	Monday, 24 June
Rescheduled General Meeting to be held at 10:00 on	Wednesday, 26 June
Results of the Rescheduled General Meeting released on SENS on	Wednesday, 26 June
Initial Specific Repurchase effected on or about	Monday, 1 July
Delisting and cancellation of the Initial Repurchase Shares	Friday, 5 July

Notes:

1. All times referred to in this Supplementary Circular are references to South African Standard Time.
2. The dates and times set out in the table above are subject to amendment. Any such amendment will be released on SENS.
3. If the Rescheduled General Meeting is adjourned or postponed, Supplementary Circular Forms of Proxy submitted for the initial Rescheduled General Meeting will remain valid in respect of any adjournment or postponement of the Rescheduled General Meeting, unless the contrary is stated on such Supplementary Circular Form of Proxy.
4. Shareholders are reminded that Shares can only be traded in dematerialised form.
5. The Register will be closed between the last day to trade to be entitled to participate, and vote at the Rescheduled General Meeting and the Rescheduled General Meeting record date.
6. Shareholders are requested to deposit Supplementary Circular Forms of Proxy at the office of the Transfer Secretaries, JSE Investor Services, Fifth Floor, One Exchange Square, 2 Gwen Lane, Sandown, 2196 or by post to PO Box 4844, Johannesburg, 2000 (at their own risk), or via email to meetfax@jseinvestorservices.co.za, by no later than 10:00 on Monday, 24 June 2024, for administrative purposes. Any Supplementary Circular Forms of Proxy not delivered by this time may be forwarded to the Transfer Secretaries at any time prior to the commencement of voting on any Resolutions proposed at the Rescheduled General Meeting.

DEFINITIONS AND INTERPRETATIONS

In this Supplementary Circular and the annexure hereto, unless the context indicates otherwise, references to the singular include the plural and *vice versa*, words denoting one gender include the others, expressions denoting natural persons includes juristic persons and associations of persons and *vice versa*, and the words in the first column hereunder have the meaning stated opposite them in the second column, as follows:

“Addendum”	the addendum to the Settlement Agreement dated 25 March 2024, as amended by exchange of emails between the Parties on 23 June 2023, 31 July 2023 and 18 December 2023, in terms of which the Settlement Agreement is amended as detailed in paragraph 3.2 of this Supplementary Circular;
“AYO” or “the Company”	Ayo Technology Solutions Limited (Registration number 1996/014461/06), a public company duly registered and incorporated in accordance with the laws of South Africa, and listed on the Main Board of the JSE;
“AYO Group” or “Group”	AYO and its Subsidiaries;
“AYO Shareholder/s” or “Shareholder/s”	the holders of Shares issued by the Company and who are entered as such in the Register;
“AYO Share/s” or “Share/s”	ordinary shares of no par value in the authorised and issued share capital of the Company;
“Board” or “Directors”	the board of directors of AYO as at the date of this Supplementary Circular;
“Business Day”	any day other than a Saturday, Sunday or official public holiday in South Africa;
“Certificated Shareholder/s”	AYO Shareholders who hold Certificated Shares;
“Certificated Share/s”	Shares evidenced by Documents of Title, which have not been surrendered for dematerialisation in terms of Strate requirements;
“CIPC”	the Companies and Intellectual Property Commission established pursuant to section 185 of the Companies Act;
“Circular dated 28 July 2023”	the circular to AYO Shareholders dated Friday, 28 July 2023, including the annexure thereto, and incorporating the Fairness Opinion and the Notice of General Meeting and Form of Proxy;
“Companies Act”	the Companies Act, 2008 (Act 71 of 2008), as amended;
“Corporate Advisor and Sponsor” or “Vunani”	Vunani Sponsors Proprietary Limited (Registration number 2008/005096/07), a private company duly registered and incorporated in accordance with the laws of South Africa, being the Corporate Advisor and Sponsor to AYO in respect of the Initial Specific Repurchase;
“CSDP”	a Central Securities Depository Participant, accepted as a participant as contemplated in the Financial Markets Act;
“dematerialised”	the process by which Certificated Shares are converted to and held in electronic form as Dematerialised Shares recorded in the sub-register of Shareholders maintained by a CSDP;
“Dematerialised Shareholder/s”	Shareholders who hold Dematerialised Shares;
“Dematerialised Share/s”	Shares which have been dematerialised through a CSDP or broker and are held on the sub-register of AYO Shareholders administered by CSDPs in electronic form;

“Document/s of Title”	share certificate(s), certified transfer deed(s), balance receipt(s) and/or any other document(s) of title acceptable to AYO and the Transfer Secretaries in respect of Certificated Shareholder(s);
“Fairness Opinion”	the opinion of the Independent Expert on the Initial Specific Repurchase dated 21 July 2023 obtained in accordance with paragraph 5.69(e) of the Listings Requirements and incorporated into the Circular dated 28 July 2023 as Annexure 1 thereto;
“Financial Markets Act”	the Financial Markets Act, 2012 (Act 19 of 2012), as amended;
“Form of Proxy”	the form of proxy (<i>yellow</i>) attached to and forming part of the Circular dated 28 July 2023;
“General Meeting”	the general meeting of AYO Shareholders which was to have been held virtually through electronic communication at 10:00 on Monday, 28 August 2023, to consider and, if deemed appropriate, to approve, with or without modification, the Initial Specific Repurchase, together with any meeting held as a result of postponement or adjournment as a recovering thereof;
“GEPF”	the Government Employees Pension Fund, a pension fund created in terms of the Government Services Pension Fund Act, 1973 and renamed by the Government Employees Pension Law, Proclamation 21 of 1996;
“Haraas Trust”	the Haraas Trust (Master’s reference IT2232/99), the beneficiaries of which are Dr. Ml Survé, R Survé, S Survé, and N Kamies;
“Independent Expert” or “Lead Sponsor” or “Merchantec Capital”	Merchantec Proprietary Limited (Registration number 2008/027362/07), a private company duly registered and incorporated in accordance with the laws of South Africa, acting in the capacities of the independent expert appointed by the Board to provide the Fairness Opinion on the Initial Specific Repurchase and the Lead Sponsor to AYO in respect of the Initial Specific Repurchase, with a division of responsibility amongst the persons involved in fulfilling these separate and distinct roles;
“Initial Repurchase Consideration”	the aggregate cash consideration of R619 423 100;
“Initial Repurchase Price”	R36.00720, being the price paid by AYO per Initial Repurchase Share, using existing cash resources, which price is at a premium of 880% to the 30-day VWAP on which AYO Shares traded on the JSE prior to the Signature Date;
“Initial Repurchase Shares”	17 202 756 AYO Shares to be repurchased by AYO from the GEPF;
“Initial Specific Repurchase”	the repurchase of the Initial Repurchase Shares from the GEPF at the Initial Repurchase Price for which the Initial Repurchase Consideration was paid by AYO to the GEPF on 28 March 2023;
“JSE”	JSE Limited (Registration number 2005/022939/06), a public company duly registered and incorporated with limited liability under the laws of South Africa and licensed as an exchange under the Financial Markets Act;
“Last Practicable Date”	the last practicable date prior to the finalisation of this Supplementary Circular, being Friday, 17 May 2024;
“Legal Advisor” or “STBB”	Smith Tabata Buchanan Boyes Inc. (Registration number 1992/003316/21), a professional services company duly registered and incorporated in accordance with the laws of South Africa and the legal advisor to AYO;
“Listings Requirements”	the Listings Requirements of the JSE, as amended from time to time;

“Main Board”	the main board of the list maintained by the JSE of securities admitted to listing on the JSE;
“MOI”	the Memorandum of Incorporation of AYO;
“MOI Amendments”	the proposed amendments to the MOI, as set out in paragraph 3.3 of this Supplementary Circular;
“Notice of General Meeting”	the notice of the General Meeting of Shareholders attached to and forming part of the Circular dated 28 July 2023;
“Notice of Rescheduled General Meeting”	the notice of the Rescheduled General Meeting of Shareholders attached to and forming part of this Supplementary Circular;
“Parties”	the parties to the Settlement Agreement, being AYO, the PIC and the GEPPF;
“PIC”	the Public Investment Corporation SOC Limited, (Registration number 2005/009094/30), a State-Owned Company duly registered and incorporated in accordance with the laws of South Africa and an asset management firm wholly-owned by the government of South Africa;
“Register”	the register of Certificated Shareholders maintained by AYO’s Transfer Secretaries and the sub-registers of Dematerialised Shareholders maintained by the relevant CSDPs;
“Rescheduled General Meeting”	the general meeting of AYO Shareholders as convened in terms of the Notice of Rescheduled General Meeting, to be held virtually through electronic communication at 10:00 on Wednesday, 26 June 2024, to consider and, if deemed appropriate, to approve, with or without modification, the Initial Specific Repurchase and the MOI Amendments, together with any meeting held as a result of postponement or adjournment as a recovering thereof;
“Resolutions”	the resolutions contained in the Notice of Rescheduled General Meeting, which resolutions are required to approve the Initial Specific Repurchase and the MOI Amendments;
“Sekunjalo Investment Holdings”	Sekunjalo Investment Holdings Proprietary Limited (Registration number 1998/008480/07), a private company duly incorporated in accordance with the Laws of South Africa which is wholly-owned by the Haraas Trust, and which holds 42.8% of the Shares in AYO;
“SENS”	the Stock Exchange News Service of the JSE;
“Settlement Agreement”	the agreement entered into between AYO, the PIC and the GEPPF on the Signature Date regulating, <i>inter alia</i> , the Initial Specific Repurchase;
“Signature Date”	the date on which the Parties entered into the Settlement Agreement, being Thursday, 23 March 2023;
“Solvency and Liquidity Test”	the solvency and liquidity test, as set out in section 4(1) of the Companies Act;
“South Africa”	the Republic of South Africa;
“Strate”	Strate Proprietary Limited (Registration number 1998/022242/07), a private company duly registered and incorporated in accordance with the laws of South Africa and a Central Securities Depository licensed in terms of the Financial Markets Act and responsible for the electronic clearing and settlement system provided to the JSE;
“Subsidiary”	a subsidiary as defined in the Companies Act;

“Supplementary Circular”	this document, dated Monday, 27 May 2024, including the annexure hereto, and incorporating the Updated Fairness Opinion, the Notice of Rescheduled General Meeting and the Supplementary Circular Form of Proxy;
“Supplementary Circular Electronic Participation Form”	the form attached to and forming part of this Supplementary Circular for application to the Transfer Secretaries by Shareholders or their duly appointed proxy(ies) that wish to participate in the Rescheduled General Meeting via electronic communication;
“Supplementary Circular Form of Proxy”	for purposes of the Rescheduled General Meeting, the form of proxy (<i>green</i>) attached to and forming part of this Supplementary Circular for use by Certificated Shareholders and Dematerialised Shareholders with “own-name” registration only;
“Transfer Secretaries” or “JSE Investor Services”	JSE Investor Services Proprietary Limited (Registration number 2000/007239/07), a private company duly registered and incorporated in accordance with the laws of South Africa, being the Transfer Secretaries of AYO;
“Unbundling”	the <i>pro rata</i> unbundling by African Equity Empowerment Investment Holdings Limited (“ AEEI ”) of its entire shareholding in AYO to AEEI shareholders by way of a distribution <i>in specie</i> in the ratio of 1 AYO Share for every 2.89 AEEI shares held on the Unbundling record date, in terms of section 46 of the Companies Act and section 46 of the Income Tax Act, 1962 (Act 58 of 1962), as amended, which Unbundling was detailed in the circular to AEEI shareholders dated 1 June 2023;
“Updated Fairness Opinion”	the updated opinion of the Independent Expert on the Initial Specific Repurchase dated 20 May 2024 obtained in accordance with paragraph 5.69(e) of the Listings Requirements and incorporated into this Supplementary Circular as Annexure 1 hereto;
“VWAP”	volume weighted average price; and
“ZAR” or “Rand”	the lawful currency of South Africa.

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")



Directors

Executive

Amit Makan (Chief Executive Officer)
Pride Guzha (Chief Financial Officer)
Wakeel Mclachlan (Chief Operating Officer)

Non-executive

Adv Dr Ngoako Ramatlhodi^ (Interim Chairperson)
Rosemary Mosia^
Aziza Amod
Sello Rasethaba^
Lucien Jacobs
Joel Moodley

^ Independent

SUPPLEMENTARY CIRCULAR TO AYO SHAREHOLDERS

1. INTRODUCTION AND PURPOSE OF THIS SUPPLEMENTARY CIRCULAR

- 1.1 As set out in the Circular dated 28 July 2023, Shareholders were informed, *inter alia*, that:
 - 1.1.1 in terms of the Settlement Agreement, AYO will repurchase 17 202 756 AYO Shares from the GEPF for an aggregate consideration of R619 423 100, being the Initial Repurchase Consideration;
 - 1.1.2 the Initial Repurchase Consideration was paid in advance and settled by AYO on 28 March 2023 following the Board having, in accordance with the Companies Act, satisfied the Solvency and Liquidity Test and passing a resolution in respect thereof;
 - 1.1.3 the Initial Specific Repurchase constitutes a specific repurchase of shares from a related party in terms of the Listings Requirements and, as such requires, *inter alia*, a fairness opinion from an independent professional expert acceptable to the JSE and the approval by at least 75% of the votes cast in favour thereof by AYO Shareholders present or represented by proxy in General Meeting, excluding participants of the Initial Specific Repurchase and their associates; and
 - 1.1.4 the transfer of the Initial Repurchase Shares from the GEPF to AYO will take place following the approval of the Initial Specific Repurchase by Shareholders in General Meeting.
- 1.2 As set out in the announcement released on SENS on 25 August 2023, Shareholders were advised of, *inter alia*, the postponement of the General Meeting as a result of the Company trading under a cautionary announcement and being unable to convene such meeting to approve the Initial Specific Repurchase during such prohibited period.
- 1.3 As set out in the announcement released on SENS on 27 March 2024, Shareholders were advised that the Parties have entered into the Addendum, together with the terms thereof, and the cautionary announcement was accordingly withdrawn.
- 1.4 The purpose of this Supplementary Circular is to:
 - 1.4.1 provide Shareholders with:
 - 1.4.1.1 the information pertaining to the Addendum, as set out in paragraph 3.2 below, including the proposed amendments to the Company's MOI, as set out in paragraph 3.3 below;

- 1.4.1.2 the Board's opinion as to whether the Initial Specific Repurchase is fair insofar as Shareholders (excluding the GEPF and the PIC) are concerned, having obtained and given due consideration to the Updated Fairness Opinion incorporated as **Annexure 1** to this Supplementary Circular; and
- 1.4.2 convene the Rescheduled General Meeting so as to enable Shareholders to consider and, if deemed appropriate, to pass, with or without modification, the Resolutions required to approve the Initial Specific Repurchase, the terms of which remain unchanged from those detailed in the Circular, and the MOI Amendments.

2. INITIAL SPECIFIC REPURCHASE

- 2.1 The background to and rationale for the Initial Specific Repurchase are set out in the Circular dated 28 July 2023.
- 2.2 The Initial Specific Repurchase is for cash only and, as set out in paragraph 1.1.2 above, was paid by AYO on 28 March 2023. As set out in the Circular dated 28 July 2023, the total impact of the reduction in AYO's cash resources of R620 702 800, comprising the Initial Specific Repurchase Consideration and R1 279 700 in respect of transaction and legal costs pertaining to the Initial Specific Repurchase, was a decrease from R1 100 536 681 to R479 883 881 of AYO's cash and cash equivalents as at the Company's six-month period ended 28 February 2023.
- 2.3 Transaction and legal costs amounting to a total of R600 440 in respect of the Supplementary Circular will have the effect of further reducing AYO's cash and cash equivalents as at the Company's year ended 31 August 2023 from R189 657 000 to R189 056 560.
- 2.4 The Initial Specific Repurchase will result in a decrease of AYO's ordinary shares in issue by 17 202 756 Shares.
- 2.5 As the Initial Repurchase Shares will be cancelled, the Initial Specific Repurchase has no effect on the current number of treasury shares held, being 938 459 Shares.

3. SALIENT TERMS OF THE ADDENDUM AND MOI AMENDMENTS

- 3.1 All conditions precedent to the Addendum have been timeously fulfilled and the Addendum is, accordingly, unconditional in all respects.
- 3.2 In terms of the Addendum, the Settlement Agreement was amended, *inter alia*, as follows, with effect from 25 March 2024:
 - 3.2.1 delivery of the Initial Repurchase Shares from the GEPF to AYO will only be effected upon the Company obtaining all approvals for the Initial Specific Repurchase required by the Companies Act and the Listings Requirements;
 - 3.2.2 in the event that AYO is delisted from the JSE, the GEPF will retain certain minority protections as a Shareholder of AYO;
 - 3.2.3 AYO undertakes to use its reasonable endeavours to procure the appointment of GEPF-nominated directors to the AYO Board, to the extent permissible by the Companies Act and the Listings Requirements;
 - 3.2.4 certain clauses of the Settlement Agreement that were not in compliance with the Listings Requirements have been deleted or amended in order to ensure compliance with the Listings Requirements;
 - 3.2.5 AYO shall use its reasonable endeavours to procure that the Shareholders of AYO vote in favour of any resolutions required to appoint nominees of the GEPF to the Board (as contemplated in paragraph 3.2.7.1 below) and for the appointment of an independent non-executive director of AYO as the chairman of the Board;
 - 3.2.6 If AYO is delisted, AYO undertakes not to dilute the GEPF shareholding in AYO below 25%; and
 - 3.2.7 the following amendments are effected to the MOI (including filing such amendments with CIPC) by no later than 30 June 2024:
 - 3.2.7.1 the GEPF will, for every 10% of the Shares that it holds in AYO, be entitled to nominate one person for election to the Board; and

3.2.7.2 the chairperson of the Board must be an independent non-executive director.

3.3 Set out below is an extract of certain paragraphs of the AYO MOI which illustrate the proposed amendments thereto. Insertions are represented by underlined text and deletions are represented by strikethroughs.

1. Interpretation

1.1 *In this Memorandum of Incorporation, unless the context clearly indicates a contrary intention, the following words and expressions bear the meanings assigned to them and cognate expressions bear corresponding meanings:*

1.1.7 "GEPF" means the Government Employees Pension Fund;

1.1.9 "Independent" means, in relation to the categorisation of a person as independent, the absence of an interest, position, association or relationship which, when judged from the perspective of a reasonable and informed third party, is likely to influence unduly or cause bias in decision-making;

25. Votes of Shareholders

25.8 *The board of any company or the controlling body of any other entity or Shareholder may authorise any person to act as its representative at any meeting of Shareholders of the Company, in which event the following provisions will apply:*

25.8.1 *the person so authorised may exercise the same powers of the authorising company, entity or person as it could have exercised if it were a Shareholder; and*

25.8.2 *the authorising company, entity or person shall lodge a resolution (or other written delegation of authority) of the board or controlling body of such company, entity or person confirming the granting of such authority, and certified under the hand of the chairperson or secretary thereof, with the Company before the commencement of any Shareholders' meeting at which such person intends to exercise any rights of such Shareholder, unless excused from doing so by the ~~chairman~~ chairperson of such meeting.*

29. Composition and Powers of the Board of Directors

29.3 *Notwithstanding anything to the contrary contained in this MOI, the GEPF shall, for every complete 10% of the Shares it holds in the Company, be entitled to nominate 1 (one) director to the Board.*

30. Directors' Meetings

30.2 *The Directors may elect a chairperson and a deputy chairperson or lead independent Director and determine the period for which each is to hold office. The chairperson of the Board must be an Independent non-executive Director. The chairperson, or in his absence the deputy chairperson or lead independent Director, shall be entitled to preside over all meetings of Directors. If no chairperson or deputy chairperson or lead independent Director is elected, or if at any meeting neither is present or willing to act as chairperson thereof within 10 (ten) minutes of the time appointed for holding the meeting, the Directors present shall choose 1 (one) of their number to be ~~chairman~~ chairperson of such meeting.*

3.4 The proposed amendments to the MOI require the approval by at least 75% of the votes cast in favour thereof by AYO Shareholders present or represented by proxy at the Rescheduled General Meeting.

4. SHARE CAPITAL

4.1 Authorised and issued share capital

4.1.1 The authorised and issued share capital of AYO as at the Last Practicable Date is set out in the table below.

Authorised share capital	R'000
2 000 000 000 Shares of no par value	6 100 000
Issued share capital	
344 125 194 Shares of no par value	1 049 578
<i>Treasury Shares: 938 459</i>	

4.1.2 Following the implementation of the Initial Specific Repurchase, the authorised and issued share capital of AYO will be as follows:

Authorised share capital	R'000
2 000 000 000 Shares of no par value	6 100 000
Issued share capital	
326 922 438 Shares of no par value	1 046 715
<i>Treasury Shares: 938 459</i>	

5. MAJOR SHAREHOLDERS

5.1 Insofar as is known by the Directors, those Shareholders (excluding the Directors as detailed in paragraph 6 below), who, as at the Last Practicable Date, directly or indirectly, are beneficially interested in 5% or more of the issued share capital of AYO, are set out below:

Shareholder	Number of Shares		Percentage shareholding ¹ (%)
	Direct shareholding	Indirect shareholding	
Sekunjalo Investment Holdings	147 279 677	–	42.80
GEPPF	99 782 655	–	29.00
Total	247 062 332	–	71.80

¹ Based on 344 125 194 Shares in issue as at the Last Practicable Date.

5.2 Following the implementation of the Initial Specific Repurchase and the cancellation of the Initial Repurchase Shares, the beneficial interests of the Shareholders detailed in paragraph 5.1 above will be as follows:

Shareholder	Number of Shares		Percentage shareholding ¹ (%)
	Direct shareholding	Indirect shareholding	
Sekunjalo Investment Holdings	147 279 677	–	45.05
GEPPF	82 579 899	–	25.26
Total	229 859 576	–	70.31

¹ Based on 326 922 438 Shares in issue.

6. DIRECTORS' INTEREST

- 6.1 The direct and indirect beneficial interests of the Directors and their associates (as defined in the Listings Requirements) in AYO Shares at the Last Practicable Date, together with the former Directors who resigned or retired during the 12 months prior to the Last Practicable Date, are set out in the table below.

Director	Number of Shares		At the Last Practicable Date	
	Direct beneficial	Indirect beneficial	Total number of Shares	Percentage shareholding ¹ (%)
A Amod	1 250	–	1 250	0.0004
K Abdulla ²	547 592 ³	2 776 605 ⁴	3 324 197	0.9660
Total	548 842	2 776 605	3 325 447	0.9664

¹ Based on 344 125 194 Shares in issue as at the Last Practicable Date.

² Retired with effect from 1 December 2023.

³ 546 342 Shares received on 31 July 2023 as a result of the Unbundling.

⁴ 2 603 595 Shares held by Fisk Trust and 173 010 Shares held by KI Capital Management Proprietary Limited, which Shares were received on 31 July 2023 as a result of the Unbundling.

7. WORKING CAPITAL

- 7.1 The Initial Specific Repurchase is subject to the provisions of clause 20 of the MOI, the Companies Act and the Listings Requirements, where applicable.
- 7.2 Shareholders are referred to paragraph 7 of the Circular dated 28 July 2023 wherein it was stated, *inter alia*, that the then Board had, in terms of sections 48(2)(a) and section 46 of the Companies Act, adopted the following resolutions:
- 7.2.1 on 20 March 2023, acknowledging that it had passed the Solvency and Liquidity Test and reasonably concluded that AYO would satisfy the Solvency and Liquidity Test immediately after completing the payment of the Initial Repurchase Consideration; and
- 7.2.2 on 23 March 2023, approving and authorising the Initial Specific Repurchase as well as the payment of the Initial Repurchase Consideration.
- 7.3 The Board proposes the Resolutions in respect of the Initial Specific Repurchase that are recorded in the Notice of General Meeting and has accordingly, convened the Rescheduled General Meeting.

8. MATERIAL RISKS

Beyond the continued low economic growth, sustained high interest rates and uncertain political climate in the lead-up to the national elections in South Africa, which affect all businesses, AYO's risk landscape, as at 31 January 2024, being the date of distribution of the AYO 2023 Integrated Annual Report for the year ended 31 August 2023, remains influenced by the Group's challenges in keeping its transactional banking with the open and limited access to facilities, which affects AYO on an operational level, and which impacts the Group's reputation and ability to create and preserve value.

Risk monitoring is an ongoing activity in the business, with the executive team meeting quarterly to identify and review principal risks for the Group and to ensure adequate redress measures are in place. The risk register is then presented to the audit and risk committee for review and informs the strategic decisions taken at Board level.

The table below sets out AYO's top risks as at the Last Practicable Date and ranks them in order of risk level from highest to lowest risk:

Risk	Description and mitigating actions
1. Economic and political climate	<p>While South Africa has emerged from the COVID-induced recession* and the economic and financial outlook has improved significantly, volatility remains high in the context of local and international political unrest. Inflationary and energy pressures and rampant corruption in the country, continued pressure on foreign direct investment in South Africa and the ongoing Ukraine-Russia war all contribute to a highly precarious and ambiguous economic climate, which ripples to affect every business organisation.</p> <p>*Source: https://www.gov.za/sites/default/files/gcis_document/202010/south-african-economic-reconstruction-and-recovery-plan.pdf</p> <p>Mitigating actions</p> <ul style="list-style-type: none"> – Continuously monitor and follow the development of significant events that affect global and South African economy. – Include contingencies in management’s business plans to provide for negative impact of subdued economy. – Identify opportunities that emerge from this external environment and swiftly focus operational capacity to fill the gap and create value.
2. Erosion of Shareholders’ value	<p>With the already well-explained challenges testing the resilience of AYO, the Company may be compelled to sell its investments at lower than market value if the companies are unable to operate without transactional banking. Such a scenario would significantly affect Shareholders’ value as the losses from the revenue contribution of the traded Subsidiary will be amplified by the losses from the discounted sales price. This may further trigger other Subsidiaries to consider potential sales or management buyouts.</p> <p>Mitigating actions</p> <ul style="list-style-type: none"> – A Group Chief Operating Officer has been appointed to focus on stakeholder engagement with Subsidiary companies and improve communication flow. – The executive team, through Board participation in Subsidiary businesses, contextualises current challenges and neutralises concerns. – Engagement with critical Shareholders to emphasise the importance of creating value at Subsidiary level through financial assistance to enlist their support.
3. Business longevity	<p>The extensive legal challenges, as set out below, which AYO is simultaneously confronting, together with the ongoing negative media focus on the Group have resulted in heightened attention from regulators which consumes management’s time, potentially threatening its longevity. These prolonged processes are straining AYO’s financial and human resources, forcing its operational focus and impeding its ability to concentrate on the strategic mandate management is set to deliver on.</p> <p>AYO Technology Solutions Ltd (“AYO”)/Access Bank South Africa Limited [CASE NUMBER: 12629/22]</p> <p>This matter is pending. AYO is pursuing Part B of the application relating to the review of the decision by Access to terminate AYO’s bank account.</p> <p>Mohammed Iqbal Surve’ & 77 Others/Absa Bank Ltd and 26 (Equality Court Application) [CASE NUMBER: EC01/2022]</p> <p>All the parties have agreed to provide responses to various requests for documents between the parties. Thereafter, the parties will agree on a timeline to file their respective heads of argument.</p> <p>Mohammed Iqbal Surve’ & 79 Others/Absa Bank Ltd & 22 Others (High Court Parallel Application) [CASE NUMBER: 13034/22]</p> <p>This matter is ongoing. Certain banks are to revert regarding the disclosure of certain documents as a result of an application brought by the Applicants. A further directions hearing will take place on 26 July 2024 to decide the further conduct of the matter.</p>

Risk	Description and mitigating actions
	<p>Mohammed Iqbal Surve' & 43 Others//Nedbank & 1 Other [CASE NUMBER EC02/22]</p> <p>This matter is ongoing. The Supreme Court of Appeal found in favour of Nedbank on 18 December 2023. The Sekunjalo Group thereafter filed leave to appeal at the Constitutional Court. The parties are waiting on a decision by the Constitutional Court regarding the leave to appeal application.</p> <p>Africa Community Media (Pty) Ltd & 21 Others//Standard Bank of SA Limited [CASE NUMBER: 9318/22]</p> <p>This matter was re-enrolled and judgment in favour of the Sekunjalo Group was handed down on 14 September 2023. The Standard Bank of SA Limited filed leave to appeal the judgment in terms of which their leave to appeal application was dismissed on 19 February 2024. As a result of the judgment, bank accounts held by Standard Bank of SA Limited will remain open until 11 September 2024, or final determination of the applications pending in the High Court under case number 13034/2022 and in the Equality Court under case number EC01/2022, whichever occurs first. The parties are further granted leave to approach the court to extend the order, alternatively for its discharge, on good cause shown.</p> <p>Africa Community Media (Pty) Ltd & 25 Others//Standard Bank Limited [CASE NUMBER: 14813/22]</p> <p>This matter is currently closed. The parties are awaiting the outcome of the appeal instituted in the Competition Appeal Court to assess whether this matter is to be reinstated.</p> <p>Competition Tribunal [CASE NUMBER: IR153Dec21/JOI185Feb22]</p> <p>Mercantile Bank, Access Bank and Standard Bank appealed the ruling of the Competition Tribunal. On 2 August 2023, AYO released an announcement on SENS advising Shareholders that the matter was heard on 31 March 2023 and judgment was reserved (“Judgment”). During July 2023, the Competition Appeal Court ruled in favour of the aforementioned banks, setting aside the Competition Tribunal's Order. On 21 December 2023, AYO released an announcement on SENS advising Shareholders that the Competition Tribunal had released a media statement on 19 December 2023, announcing that it has dismissed the application by the 35 other Applicants, together with AYO, for a further extension of the interim relief order granted by the Competition Tribunal on 16 September 2022. However, the investigation in relation to the complaint of alleged collusion is still ongoing.</p> <p>AYO//Cortex Logic [CASE NUMBER: 12395/2022]</p> <p>The litigation arose from the non-repayment of loans provided to Cortex Logic. This matter is ongoing in order for AYO to recover the outstanding loans and interest thereon.</p> <p>SACTWU//AYO [CASE NUMBER: 16582/21 & 6489/22]</p> <p>The litigation arose as a result of a dispute regarding the entitlement to dividends based on shares held. This matter is ongoing, and the discovery process is to follow.</p> <p>AYO & Others//PL Myburgh & Daily Maverick [CASE NUMBER: 7665/22]</p> <p>Defamation claim against the parties in respect of media articles published. The matter has not been enrolled on the pre-trial roll yet.</p> <p>Surve & AYO//Daily Maverick & amaBhungane [CASE NUMBER: 10620/22]</p> <p>Defamation claim against the parties in respect of media articles published. The matter has not been enrolled on the pre-trial roll yet.</p> <p>Mitigating actions</p> <ul style="list-style-type: none"> – Business continuity plans in place and operational readiness to address potential negative litigation outcomes. – Mediation discussions in progress with the PIC to avoid further litigation. – Continuous stakeholder engagement with Subsidiaries, regulators and staff to secure their ongoing support and promote open and transparent relationships.

Risk	Description and mitigating actions
4. Cash preservation	<p>AYO's banking challenges have necessitated the use of third-party treasury services, which come at a high cost. Interest income, which has historically contributed significantly to the Group's financial performance, has been severely diminished, as well. Additionally, the prolonged litigation with the banks in various judicial institutions, has led to exorbitant mounting of legal expenses, which further promotes the erosion of value.</p> <p>Mitigating actions</p> <ul style="list-style-type: none"> – The favourable, albeit temporary, relief granted by the Equality Court and the first Competition Tribunal hearing eased some of the pressure on cash preservation. – Amicable dispute resolution with the PIC has resulted in mutually beneficial terms to re-create value in AYO.
5. Erosion of Subsidiaries' value	<p>AYO's Subsidiaries, as its principal investments, are of extreme importance to its business and financial performance. With the current banking challenges (which affect not just the Company, but many of the businesses in the Group), AYO's inability to offer them financial assistance in this challenging period due to lack of Shareholders' support, and reputational damage, AYO's Subsidiaries' performance is suffering, leading to decrease in value of these investments.</p> <p>Mitigating actions</p> <ul style="list-style-type: none"> – Regular valuations of Subsidiary companies by an independent valuer. – Engagement with and (non-financial) support to Subsidiary companies to promote their sustainability and growth. – Board approval for disposal of investments if deemed the most appropriate course of action.
6. Regulatory compliance	<p>Regulatory requirements continuously evolve. Compliance with JSE, FSCA and any other regulatory body is a priority for AYO. However, given the legal challenges the business has faced during the reporting period, AYO's team is stretched to its limits, which increases the risk of oversight of stringent obligations and subsequent liability for non-compliance.</p> <p>Mitigating actions</p> <ul style="list-style-type: none"> – Adequate internal audit and reporting teams, who regularly attend regulatory body training events to keep abreast of latest requirements. – Compliance checklist process followed and consultation with corporate sponsors prior to any market announcements. – Company Secretary assessment of compliance with King IV™ Code and Companies Act.
7. Succession planning	<p>Leadership continuity and succession planning is paramount to the organisation. With the pressure AYO's executive team is under, as mentioned already, the prospect of unintentional oversight of fiduciary or compliance duties may lead to negative consequences for Directors, such as public censures and fines. The Group needs to ensure continuity at Board level in the case of Directors' regulatory investigations and penalties, however unlikely they may be.</p> <p>Mitigating actions</p> <ul style="list-style-type: none"> – Directors' liability insurance taken by the Company on behalf of Directors. – Directors continuous coaching in the provisions of laws and regulations. – Company Secretary monitoring of Directors' actions to ensure compliance.

Risk	Description and mitigating actions
8. Staff retention	<p>Ongoing media attacks on the AYO brand, uncertainty driven by prolonged litigation and the stressful work environment these factors have brought on, negatively impact staff morale. Key staff members may seek stability outside of the organisation. The already critical “brain drain” challenge the entire country is facing, losing competent recruits to emigration, exacerbates the difficulty of replacing valuable employees.</p> <p>Mitigating actions</p> <ul style="list-style-type: none"> – Regular formal and informal engagement with the team promotes cohesiveness, improves morale and reduces uncertainty and anxiety. – Continuous investment in people development to ensure business continuity in the case of critical staff members’ resignations.
9. Data safety and protection	<p>Leaks of confidential internal information to external parties, whether accidental or malicious, could have a devastating impact on AYO’s brand, share price and operations. This threat is exacerbated by accessibility of its servers and cloud network from potentially unauthorised devices (like employees’ personal computers), which is at times necessary due to load shedding and remote working arrangements.</p> <p>Mitigating actions</p> <ul style="list-style-type: none"> – Sophisticated firewalls installed to protect data safety and integrity. – VPN deployment to prevent unauthorised access to data. – Restricted access to sensitive data. – Detailed business continuity plan in place for data breaches or IT failures.
10. Related party disclosure	<p>With seven subsidiaries and more than 20 strategic investments, as well as an intricate web of suppliers and service providers, identifying, recording and adequately reporting related party transactions is a challenge. Failure to recognise such transactions, however, may lead to erroneous disclosures in the annual financial statements, non-compliance with accounting standards and the Listings Requirements and potential penalties.</p> <p>Mitigating actions</p> <ul style="list-style-type: none"> – New suppliers are screened before the start of their business relationship with the Group and expected to declare any connection to an individual or a company within the Group that may classify the parties as related. – Directors are required to declare and disclose any conflicts of interest that may have or may in the future result in a related party transaction at each Board and/or committee meeting. – Processes in place to identify and record related party transactions throughout the Group on a monthly basis, reviewed and approved by the Chief Financial Officer.

9. MATERIAL CHANGES

There have been no material changes in the financial or trading position of AYO or its Subsidiaries between 31 January 2024, being the date on which the audited financial statements of the Group for the year ended 31 August 2023 were published, and the Last Practicable Date.

10. OPINIONS AND RECOMMENDATION

- 10.1 Based on the rationale set out in paragraph 2.1.4 of the Circular dated 28 July 2023, 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 Group.
- 10.2 The Directors, having considered the terms and conditions of the Initial Specific Repurchase, and the Updated 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.

- 10.3 Accordingly, the Directors recommend that Shareholders vote in favour of the Resolutions to be considered at the Rescheduled General Meeting to approve the Initial Specific Repurchase and the MOI Amendments.
- 10.4 A Amod, being a Director who is a Shareholder of AYO as set out in paragraph 6.1 above, intends to vote in favour of the Resolutions to be proposed at the Rescheduled General Meeting to approve the Initial Specific Repurchase and the MOI Amendments in respect of her personal holdings in the issued share capital of AYO.
- 10.5 A copy of the Updated Fairness Opinion is set out in **Annexure 1** to this Supplementary Circular.
- 10.6 In the event that the Initial Specific Repurchase is not supported by at least 75% of the voting rights exercised on the Resolution, AYO will engage further with the PIC on the way forward.

11. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors, whose names are given on page 9 of this Supplementary Circular, collectively and individually accept full responsibility for the accuracy of the information given and certify that, to the best of their knowledge and belief there are no facts that have been omitted which would make any statement false or misleading, and that all reasonable enquiries to ascertain such facts have been made and this Supplementary Circular contains all information required by law and the Listings Requirements.

12. EXPERTS' CONSENTS

The advisors, whose details are set out in the "Corporate Information and Advisors" section of this Supplementary Circular, have provided their written consents to act in the capacities stated and to their names being used in this Supplementary Circular and, where applicable, to the inclusion of their report in the form and context in which it has been reproduced in **Annexure 1** to this Supplementary Circular, and have not withdrawn their consent prior to the date of issue of this Supplementary Circular.

13. EXPENSES

The preliminary expenses (exclusive of VAT) incurred by AYO relating to the Initial Specific Repurchase are set out in the table in paragraph 13 of the Circular dated 28 July 2023. The expenses (exclusive of VAT) incurred by AYO relating to this Supplementary Circular are set out in the table below:

	R
Lead Sponsor – Merchantec Capital	131 250
Corporate Advisor and Sponsor – Vunani Sponsors	125 000
Independent Expert – Merchantec Capital	180 000
Legal Advisor – STBB	50 000
JSE documentation fees	34 190
Printing, publication and distribution expenses	80 000
Total	600 440

14. DOCUMENTS AVAILABLE FOR INSPECTION

The following documents, or copies thereof, will be available for inspection during normal business hours at the registered offices of AYO, the Lead Sponsor and the Corporate Advisor and Sponsor, at their respective addresses set out in the 'Corporate Information and Advisors' section of this Supplementary Circular and on the Company's website at www.ayotsl.com from the date of distribution of this Supplementary Circular up to and including the date of the Rescheduled General Meeting:

- 14.1 the MOI;
- 14.2 a signed copy of the Circular dated 28 July 2023;
- 14.3 a signed copy of this Supplementary Circular;
- 14.4 the Board resolution authorising the Initial Specific Repurchase;
- 14.5 the consent letters referred to in paragraph 12 above;

14.6 the Settlement Agreement;

14.7 the Addendum;

14.8 the Fairness Opinion;

14.9 the Updated Fairness Opinion;

14.10a copy of the proposed amendments to the Company's MOI; and

14.11 copies of the audited financial statements of AYO for the years ended 31 August 2023, 31 August 2022 and 31 August 2021.

**SIGNED BY A MAKAN ON BEHALF OF THE DIRECTORS OF AYO TECHNOLOGY SOLUTIONS LIMITED,
BEING DULY AUTHORISED IN TERMS OF THE POWERS OF ATTORNEY GRANTED TO HIM BY SUCH
DIRECTORS**

A Makan

Chief Executive Officer

27 May 2024

UPDATED FAIRNESS OPINION

"The Board of Directors
AYO Technology Solutions Limited
1st Floor, North Block, Waterway House
3 Dock Road, V&A Waterfront
Cape Town
8001

20 May 2024

Dear Sirs

FAIRNESS OPINION IN RESPECT OF A SPECIFIC REPURCHASE FROM A RELATED PARTY

Introduction

On 31 May 2019, AYO Technology Solutions Limited ("**AYO**") received a summons issued by the Public Investment Corporation SOC Limited ("**PIC**") and the Government Employees Pension Fund ("**GEPF**"). The summons sought a declaration that the subscription agreement entered into by the PIC on behalf of the GEPF with AYO be declared unlawful and set aside and that AYO be ordered to pay the PIC R4.3 billion, together with interest of 10.25% per annum accrued from 22 December 2017 to date of final payment. AYO had instructed its attorneys to oppose the action.

The ongoing litigation with the PIC and the GEPF, as well as the PIC voting against special resolutions to provide financial assistance to Subsidiaries affected AYO's ability to fund its Subsidiaries' growth initiatives and resulted in the loss of a contract with a multinational. Furthermore, the negative media and PIC litigation also impacted AYO's ability to implement its acquisitive growth strategy.

Legal proceedings pursuant to the aforementioned matter, which commenced on Tuesday, 7 March 2023, ceased on Tuesday, 23 March 2023 following the amicable conclusion of the Settlement Agreement between AYO, the PIC and the GEPF ("**the Settlement Agreement**"), thus ending the prolonged litigation. The Settlement Agreement was subsequently made an order of court on Friday, 24 March 2023.

Although the Board and management were of the view that AYO would have been successful in the proceedings, the Board was also mindful that in such a scenario, it could risk the possibility of an appeal, 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 during the mediation process with the PIC and the GEPF.

In terms of the Settlement Agreement, AYO will repurchase 17 202 756 AYO ordinary shares ("**Repurchase Shares**") from the GEPF for an aggregate consideration of R619 423 100 ("**Repurchase Consideration**") ("**Initial Specific Repurchase**"). The Initial Specific Repurchase represents 4.999% of the issued ordinary share capital of AYO.

In terms of paragraph 10.1(b) of the JSE Listings Requirements, the PIC and the GEPF are classified as related parties to AYO. Therefore, in terms of paragraph 5.69(e) of the JSE Listings Requirements the Initial Specific Repurchase constitutes a specific repurchase of shares from a related party.

The Initial Specific Repurchase is being undertaken at a price of R36.00720 per Repurchase Share, which price is at a premium to the 30-day VWAP at which AYO Shares traded on the JSE prior to 23 March 2023, being the Signature Date. Therefore, in compliance with the provisions of paragraph 5.69(e) of the JSE Listings Requirements, AYO is required to obtain a fairness opinion from an independent expert in respect of the share repurchase.

Merchantec Proprietary Limited ("**Merchantec Capital**") has been appointed by AYO to independently determine whether, by using the information and assumptions available, the terms and conditions of the Initial Specific Repurchase are fair to AYO shareholders.

On 28 July 2023, a circular was distributed to shareholders which set out the details of the Initial Specific Repurchase, including the terms thereof as outlined in the announcement released on SENS on 18 May 2023 (“**Terms of Settlement Agreement Announcement**”), and incorporating a notice of a General Meeting to be held on 28 August 2023 (“**Circular**”), the purpose of which was to consider and, if deemed fit, to pass, with or without modification, the resolutions required to approve the Initial Specific Repurchase. Shareholders were subsequently advised of the postponement of the aforementioned General Meeting as a result of the Company being in a prohibited period and being unable to convene such meeting to approve the Initial Specific Repurchase during this period.

AYO, the GEPF and the PIC have subsequently entered into an addendum to the Settlement Agreement (“**Addendum**”) incorporating the proposed amendments to the Memorandum of Incorporation (“**MOI**”), which will have no effect on the terms of the Initial Specific Repurchase as disclosed in the Terms of Settlement Agreement Announcement. Given the time delay between the distribution of the Circular and the signing of the Addendum, this fairness opinion is to update and replace the opinion provided in the Circular.

Definition of the term “fair”

The assessment of fairness is primarily based on quantitative issues. A transaction will typically be considered fair to a company’s shareholders if the benefits received by shareholders, as a result of a corporate action, are equal to or greater than the value ceded by a company.

The Initial Specific Repurchase may be said to be fair if the value of the Repurchase Shares is greater than or equal to the Repurchase Consideration paid by AYO or unfair if the value of the Repurchase Shares is less than the Repurchase Consideration paid by AYO.

Responsibility and scope

The responsibility of Merchantec Capital is to prepare a report in respect of the fairness of the Initial Specific Repurchase and the report must at a minimum satisfy the requirements set out in Schedule 5 of the JSE Listings Requirements.

Compliance with the JSE Listings Requirements is the responsibility of the directors of AYO. Our responsibility is to report on whether or not the terms and conditions of the Initial Specific Repurchase, as they relate to the AYO shareholders, are fair.

Fairness opinion required in terms of the JSE Listings Requirements

In terms of paragraph 5.69 of the JSE Listings Requirements the Directors are required to include a statement as to whether the repurchase is fair insofar as the shareholders (excluding the related parties) of AYO are concerned and that the Board has been so advised by an independent expert acceptable to the JSE. The Board must obtain a fairness opinion (which must be included in the circular) prepared in accordance with Schedule 5 before making this statement.

Information and sources of information

In the course of our analysis, we relied upon financial and other information obtained from AYO, together with other information available in the public domain. Our conclusion is dependent on such information being accurate in all material respects. The information has, however, been tested for reasonableness to market-related inputs at the date of the opinion.

The principal sources of information used in formulating our opinion regarding the Initial Specific Repurchase which are relevant to AYO include:

- Historic financial statements for Health System Technologies Proprietary Limited (“**Health System Technologies**”) for the years ended 31 August 2016 to 2023;
- Historic financial statements for Kalula Communications Proprietary Limited (“**Kalula Communications**”) trading as Headset Solutions for the years ended 31 August 2016 to 2023;
- Historic financial statements for Digital Matter Proprietary Limited (“**Digital Matter**”) for the years ended 31 August 2016 to 2023;
- Historic financial statements for Afrozaar Proprietary Limited (“**Afrozaar**”) for the years ended 31 August 2016 to 2023;
- Historic financial statements for Sizwe Africa IT Proprietary Limited (“**Sizwe Africa IT**”) for the years ended 30 June 2019 to 2023;
- Historic financial statements for Bamblela Capital Proprietary Limited (“**Bamblela Capital**”) for the six months ended 31 August 2023;

- Historic financial statements for Vunani Fintech Fund Proprietary Limited (“**Vunani Fintech Fund**”) for the year ended 31 August 2023;
- Historic financial statements for SGT Solutions Proprietary Limited (“**SGT Solutions**”) for the years ended 31 December 2015 to 2019;
- Historic financial statements for SGT Solutions for the years ended 31 August 2020 to 2023;
- Historic financial statements for Global Command and Control Technologies Proprietary Limited (“**GCCT**”) for the year ended 31 August 2023;
- Historic financial statements for Kathea Communication Solutions Proprietary Limited (“**Kathea Communication**”) for the years ended 31 August 2017 to 2023;
- Historic financial statements for 4 Plus Technology Venture Fund Africa Proprietary Limited (“**4 Plus**”) for the year ended 31 August 2023;
- Forecast financial information for Health Systems Technologies for the years ending 31 August 2024 to 2028;
- Forecast financial information for Kalula Communications for the years ending 31 August 2024 to 2028;
- Forecast financial information for Sizwe Africa IT for the years ending 30 June 2024 to 2028;
- Forecast financial information for Digital Matter for the years ending 31 August 2024 to 2028;
- Forecast financial information for Afrozaar for the years ending 31 August 2024 to 2028;
- Forecast financial information for SGT Solutions for the years ending 31 August 2024 to 2028;
- Forecast financial information for Kathea Communication for the years ending 31 August 2024 to 2029;
- Board pack for Health System Technologies dated 26 July 2023;
- Board pack for Vunani Fintech Fund dated 8 December 2023;
- Discussions with the directors and management of AYO on the rationale for the Initial Specific Repurchase;
- The circular to be issued to shareholders;
- The Settlement Agreement, and the addendum thereto dated 25 March 2024, entered into between AYO, the PIC and the GEPPF regulating, *inter alia*, the Initial Specific Repurchase dated 23 March 2023;
- The terms and conditions set out in the signed agreements; and
- Publicly available information relating to AYO and the industry that we deemed to be relevant.

Procedures performed

In arriving at our opinion, amongst other things, we have undertaken the following procedures in evaluating the fairness of the Initial Specific Repurchase:

- Reviewed terms and conditions set out in the signed agreement and addendum;
- Considered the underlying rationale for the Initial Specific Repurchase being, although the Board and management were of the view that AYO would have been successful in the legal proceedings, the Board was also mindful that in such a scenario, the PIC would potentially have appealed, resulting in increased 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 by the Board to settle with the PIC when the opportunity arose, which was aligned to the proposals made during the mediation process with the PIC and the GEPPF;
- Analysed historic financial statements for Health System Technologies for the year ended 31 August 2016 to 2023;
- Analysed historic financial statements for Kalula Communications, Digital Matter and Afrozaar for the year ended 31 August 2016 to 2023;
- Analysed historic financial statements for Sizwe Africa IT for the year ended 30 June 2019 to 2023;
- Analysed historic financial statements for Vunani Fintech Fund, GCCT and 4 Plus for the year ended 31 August 2023;
- Analysed historic financial statements for Sizwe Africa IT for the year ended 30 June 2019 to 2023;
- Analysed historic financial statements for SGT Solutions for the year ended 31 December 2015 to 2019;
- Analysed historic financial statements for SGT Solutions for the year ended 31 August 2020 to 2023;
- Analysed historic financial statements for Kathea Communication for the year ended 31 August 2017 to 2023;

- Analysed management accounts for Babelela Capital for the period ended 31 August 2023;
- Analysed and reviewed forecast financial information for Health Systems Technologies, Kalula Communications, Digital Matter, Afrozaar and SGT Solutions, GCCT for the year ending 31 August 2023 to 2028;
- Analysed and reviewed forecast financial information for Sizwe Africa IT for the year ending 30 June 2023 to 2028;
- Analysed and reviewed forecast financial information for Kathea Communication for the years ending 31 August 2023 to 2029;
- Reviewed and obtained an understanding from management as to the assumptions in the forecast financial information as set out above and assessed the achievability thereof by considering historic information as well as macro-economic and sector-specific data;
- Reviewed the board pack for Health System Technologies dated 26 July 2023;
- Based on the above, performed a sum-of-the-parts valuation of AYO. We valued Health Systems Technologies, Kalula Communications, Digital Matter, Sizwe Africa IT, SGT Solutions and Kathea Communication using the income approach (Discounted Cash Flow (“**DCF**”)) as AYO has a controlling interest in these entities and therefore has influence over the future cashflows. We valued Bamelela Capital, Vunani Fintech Fund, GCCT and 4 Plus using a relative valuation approach (Multiple Valuation) as AYO has a minority interest in these entities;
- Sensitivity analyses were performed considering key assumptions, key internal and external valuation drivers in arriving at a valuation range. Key internal valuation drivers for the valuation include: revenue growth rates, gross and operating margins. A 1% increase in the revenue growth rates resulted in a 0.60% increase in the overall value, being the most sensitive internal valuation driver. Similarly, a 1% decrease in the revenue growth rates resulted in a 0.30% decrease in the overall value. Key external valuation drivers include the discount rate; interest rates; exchange rates; economic conditions and overall market sentiment. A 0.5% increase in the discount rates resulted in a 0.98% decrease in the overall value, being the most sensitive external valuation driver. Similarly, a 0.5% decrease in the discount rates resulted in a 1.00% increase in the overall value. The technology industry has seen a significant increase in the prices of inputs due to the depreciating Rand. The industry has also suffered from various shortages of microchips and other key components as well as delays in the supply chain. Due to tough economic conditions worldwide, there has been a decrease in customer spend for IT equipment and the decline is expected to persist as high interest rates and elevated cost of living becomes commonplace; and
- Performed a relative valuation (multiple valuation) on AYO at a holding level as a secondary valuation methodology.

Assumptions

Our opinion is based on the following key assumptions:

- Current economic, regulatory and market conditions will not change materially;
- None of the entities valued are involved in any material legal proceedings;
- There are no known undisclosed contingencies that could have a material effect on the value of the entities that have been valued;
- For the purposes of this engagement, we assumed the future business of the valued entities to be ongoing under current business plans, expected life and management;
- That the Initial Specific Repurchase will have the legal, accounting and taxation consequences as described in discussions with, and materials furnished to us by the representatives and advisors of AYO; and
- Relied on the assumptions in the information available made by AYO’s representatives during the course of forming this opinion.

Limiting conditions

This report and opinion are provided to the board of directors of AYO in connection with and for the purposes of the Initial Specific Repurchase. The opinion does not purport to cater for each individual shareholder’s perspective, but rather that of the general body of AYO’s shareholders. Should any shareholder be in doubt as to what action to take, he or she should consult an independent advisor.

We have relied upon and assumed the accuracy of the information used by us in deriving our opinion. While our work has involved an analysis of, *inter alia*, the historical financial information, financial forecasts

and other information provided to us, our engagement does not constitute, nor does it include, an audit conducted in accordance with International Standards on Auditing, this information has, however, been tested for reasonableness.

Where relevant, forward-looking information AYO relates to future events and is based on assumptions that may or may not remain valid for the whole of the forecast period. Consequently, such information cannot be relied upon to the same extent as that derived from audited financial statements for completed accounting periods. We accordingly express no opinion as to how closely actual results will correspond to those forecasted.

We have also assumed that the Initial Specific Repurchase will have the legal, accounting and taxation consequences described in discussions with, and materials furnished to us by representatives of AYO and we express no opinion on such consequences. We have assumed that all agreements that have been entered into in regard to the Initial Specific Repurchase will be legally enforceable.

None of the statements above invalidate the work done as per this opinion and the conclusion of the fairness opinion below.

Independence

In terms of Schedule 5.1(a) of the JSE Listings Requirements, we confirm that we have no material direct or indirect interest in AYO.

Furthermore, we confirm that our professional fees are not contingent upon the success of the Initial Specific Repurchase.

Opinion

Notwithstanding the underlying rationale, Merchantec Capital has considered the terms and conditions as well as the material effects and adverse effects of the Initial Specific Repurchase. Based on the valuations performed above, the fair value range per AYO share is between R4.94 and R5.04. The Repurchase Consideration of R36.00720 per Repurchase Share falls outside of this range and therefore the Initial Specific Repurchase is unfair to AYO shareholders.

Immediately following the Initial Specific Repurchase, a reduction in AYO's 'other prepayment' balances relating to funds paid to the PIC and the cancellation of the Initial Specific Repurchase shares will result in a post-transaction fair value range per AYO share of between R3.30 and R3.40.

Subsequent developments may affect this opinion, which we are under no obligation to update, revise or re-affirm.

Consent

We consent to the inclusion of this letter and reference to our opinion in the Supplementary Circular to be issued to shareholders of AYO in the form and context in which it appears and in any required regulatory announcement or documentation.

Yours faithfully

Marcel Goncalves CA(SA)
Director

MERCHANTEC CAPITAL
13th Floor, Illovo Point
68 Melville Road
Illovo, Sandton, 2196"

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")



NOTICE OF RESCHEDULED GENERAL MEETING

The definitions and interpretations commencing on page 5 of this Supplementary Circular, apply *mutatis mutandis* to this Notice of Rescheduled General Meeting.

Notice is hereby given that the Rescheduled General Meeting will be held at 10:00 on Wednesday, 26 June 2024 entirely by electronic communication. Shareholders are referred to the "Action Required by AYO Shareholders" section of this Supplementary Circular for information on the procedure to be followed by Shareholders in order to participate and to exercise their votes at the Rescheduled General Meeting.

The purpose of the Rescheduled General Meeting is to consider and, if deemed fit, to pass, with or without modification, the Resolutions set out below.

Only Shareholders who are registered in the Register on Friday, 21 June 2024 will be entitled to attend, participate and vote at the Rescheduled General Meeting. Therefore, the last day to trade to be eligible to attend, participate and vote at the Rescheduled General Meeting is Tuesday, 18 June 2024.

In terms of section 62(3)(e) of the Companies Act:

- a Shareholder who is entitled to attend and vote at the Rescheduled General Meeting is entitled to appoint a proxy or two or more proxies to attend, participate in and vote at the Rescheduled General Meeting in the place of the Shareholder; and
- a proxy need not be a Shareholder of the Company.

In terms of section 63(1) of the Companies Act, any person attending or participating in a meeting of Shareholders must present reasonably satisfactory identification and the person presiding at the meeting must be reasonably satisfied that the right of any person to participate in and vote (whether as a Shareholder or as a proxy for a Shareholder) has been reasonably verified.

Accordingly, all Shareholders recorded in the Register on the voting record date will be required to provide identification satisfactory to the Chairman of the Rescheduled General Meeting in order to participate in and vote at the Rescheduled General Meeting.

Forms of identification include valid identity documents, drivers' licenses and passports.

SPECIAL RESOLUTION NUMBER 1 – INITIAL SPECIFIC REPURCHASE

"RESOLVED, as a Special Resolution, that AYO be and is hereby authorised, by way of a specific authority, in terms of the Companies Act, paragraph 5.69(b) of the Listings Requirements and the provisions of clause 20 of the MOI, to repurchase 17 202 756 AYO Shares from the GEFP at the Initial Repurchase Price of R36.00720 per Initial Repurchase Share for the Initial Repurchase Consideration of R619 423 100, and that the decision and determination by the Board that the Company acquires the Initial Repurchase Shares on those terms is hereby approved in terms of paragraph 5.69(b) of the Listings Requirements."

Paragraph 5.69(b) of the Listings Requirements requires that for Special Resolution Number 1 to be approved by Shareholders, it must be adopted with the support of at least 75% of the voting rights exercised on this resolution by Shareholders present or represented at the Rescheduled General Meeting and entitled to vote, excluding the votes of any Shareholder and its associates that are participating in the Initial Specific Repurchase (as contemplated below).

As contemplated above and in accordance with paragraph 5.69(b) of the Listings Requirements, the GEFP, the PIC and their associates can be taken into account in determining the quorum at the Rescheduled General Meeting, but their votes will not be taken into account in determining the results of the voting at the Rescheduled General Meeting in respect of Special Resolution Number 1.

Reason for and effect of Special Resolution Number 1

The reason for the passing of Special Resolution Number 1 is to authorise the Company to implement the Initial Specific Repurchase from the GEPF in terms of the Listings Requirements, the Companies Act and the MOI. The effect of the passing and implementation of Special Resolution Number 1 is that the Company will repurchase 17 202 756 AYO Shares from the GEPF for the Repurchase Consideration of R619 423 100, which Initial Repurchase Shares will subsequently be delisted and cancelled.

SPECIAL RESOLUTION NUMBER 2 – MOI AMENDMENTS

“RESOLVED THAT, pursuant to section 16(1) of the Companies Act and clause 40 of the Company’s MOI, and with effect from the date of filing of the required notice of amendment of the MOI with CIPC, AYO’s MOI be amended by:

- (i) the addition of new clauses 1.1.7 and 1.1.9 as follows:

1. Interpretation

1.1 *In this Memorandum of Incorporation, unless the context clearly indicates a contrary intention, the following words and expressions bear the meanings assigned to them and cognate expressions bear corresponding meanings:*

“1.1.7 “GEPF” means the Government Employees Pension Fund;” and

“1.1.9 “Independent” means, in relation to the categorisation of a person as independent, the absence of an interest, position, association or relationship which, when judged from the perspective of a reasonable and informed third party, is likely to influence unduly or cause bias in decision-making;”

- (ii) the replacement of the word ‘*chairman*’ with the word ‘*chairperson*’ in clause 25.8.2 as follows:

25. Votes of Shareholders

25.8 *The board of any company or the controlling body of any other entity or Shareholder may authorise any person to act as its representative at any meeting of Shareholders of the Company, in which event the following provisions will apply:*

25.8.1 *the person so authorised may exercise the same powers of the authorising company, entity or person as it could have exercised if it were a Shareholder; and*

25.8.2 *the authorising company, entity or person shall lodge a resolution (or other written delegation of authority) of the board or controlling body of such company, entity or person confirming the granting of such authority, and certified under the hand of the chairperson or secretary thereof, with the Company before the commencement of any Shareholders’ meeting at which such person intends to exercise any rights of such Shareholder, unless excused from doing so by the ~~chairman~~ chairperson of such meeting.*

- (iii) the addition of new clause 29.3 as follows:

29. Composition and Powers of the Board of Directors

“29.3 Notwithstanding anything to the contrary contained in this MOI, the GEPF shall, for every complete 10% of the Shares it holds in the Company, be entitled to nominate 1 (one) director to the Board.”; and

- (iv) the addition of the sentence “The chairperson of the Board must be an Independent non-executive Director.” and the replacement of the word ‘*chairman*’ with the word ‘*chairperson*’ in clause 30.2 as follows:

30. Directors’ Meetings

30.2 *The Directors may elect a chairperson and a deputy chairperson or lead independent Director and determine the period for which each is to hold office. The chairperson of the Board must be an Independent non-executive Director. The chairperson, or in his absence the deputy chairperson or lead independent Director, shall be entitled to preside over all meetings of Directors. If no chairperson or deputy chairperson or lead independent Director is elected, or if at any meeting neither is present or willing to act as chairperson thereof within 10 (ten) minutes of the time appointed for holding the meeting, the Directors present shall choose 1 (one) of their number to be ~~chairman~~ chairperson of such meeting.”*

For Special Resolution Number 2 to be approved by Shareholders, it must be adopted with the support of at least 75% of the voting rights exercised on this resolution by Shareholders present or represented at the Rescheduled General Meeting and entitled to vote.

Reason for and effect of Special Resolution Number 2

The reason for, and effect of, Special Resolution Number 2 is to allow the Company to amend the MOI.

ORDINARY RESOLUTION NUMBER 1 – AUTHORITY

“**RESOLVED** that any of the Directors or the Company Secretary of AYO be and are hereby authorised to do all such things and sign all such agreements, notices or documents including Company forms, and to take all such action as they consider necessary to give effect to and implement (i) the Initial Specific Repurchase and to make such entries in the accounts of AYO that are required to record the Initial Specific Repurchase and that any and all action taken by any of them in respect of the Initial Specific Repurchase prior to the date of this resolution is hereby ratified and approved; and (ii) the MOI Amendments.”

For Ordinary Resolution 1 to be approved by Shareholders, it must be adopted with the support of more than 50% of the voting rights exercised on this resolution by Shareholders present or represented at the Rescheduled General Meeting and entitled to vote.

Reason for and effect of Ordinary Resolution Number 1

The reason for, and effect of, Ordinary Resolution Number 1 is to authorise the Directors or the Company Secretary of AYO to take such acts and do such things required to implement the Initial Specific Repurchase and the MOI Amendments, and to ratify any actions already taken in respect of the Initial Specific Repurchase.

Important information regarding attendance, participation and voting at the Rescheduled General Meeting

Record dates

The record date on which Shareholders must be recorded in the Register in order to be entitled to receive this Notice of Rescheduled General Meeting is Friday, 17 May 2024.

The record date in respect of participation and voting at the Rescheduled General Meeting is Friday, 21 June 2024, and the last day to trade is Tuesday, 18 June 2024.

Electronic participation

The Rescheduled General Meeting will be held entirely through electronic communication, as provided for in section 63(2)(a) of the Companies Act. The MOI does not prohibit electronic meetings.

Shareholders who wish to participate in the Rescheduled General Meeting, including proxy holders, will be required to submit the duly completed Supplementary Circular Electronic Participation Form, found on page 29 of this Supplementary Circular, together with the relevant documents to the Transfer Secretaries as provided for on the form. Shareholders are strongly encouraged to complete their verification well ahead of time.

Once your shareholding, identity and authority (if the Shareholder is not an individual) has been verified by the Transfer Secretaries, you will be provided with details on how to join the Rescheduled General Meeting web stream. A live voting function will not be available, Shareholders will be required to send their duly completed voting forms to the Transfer Secretaries via email before the Rescheduled General Meeting, or at the close of voting at the latest.

Shareholders that choose not to participate in the Rescheduled General Meeting can still submit their Supplementary Circular Forms of Proxy as usual.

Voting instructions

Dematerialised shareholders

Dematerialised Shareholders whose Shares are held in a nominee account must not complete the attached Form of Proxy.

If your Shares are dematerialised and are held in a nominee account, then your CSDP or “Participant” as defined in the Financial Markets Act, or broker should contact you to ascertain how you wish to cast your vote at the Rescheduled General Meeting and thereafter cast your vote in accordance with your instructions.

If you have not been contacted it would be advisable for you to contact your CSDP or broker and furnish them with your instructions. If your CSDP or broker does not obtain instructions from you, they will be obliged to act in terms of your mandate furnished to them, or, if the mandate is silent in this regard, to abstain from voting.

Unless you advise your CSDP or broker timeously in terms of your agreement by the cut-off time advised by them that you wish to attend the Rescheduled General Meeting or send a proxy to represent you, your CSDP or broker will assume you do not wish to attend the Rescheduled General Meeting or send a proxy.

If you wish to participate in the Rescheduled General Meeting, request the necessary letter of representation from your CSDP or broker, and submit this letter together with the Supplementary Circular Electronic Participation Form found on page 29 of this Supplementary Circular.

Certificated Shareholders and Dematerialised Shareholders with “own name” registration

Certificated Shareholders and Dematerialised Shareholders with “own name” registration that wish to participate in the Rescheduled General Meeting, should submit their duly completed attached Supplementary Circular Electronic Participation Form found on page 29 of this Supplementary Circular, together with an acceptable form of identification.

Certificated Shareholders or Dematerialised Shareholders with “own name” registration may also appoint a proxy to represent them at the Rescheduled General Meeting by completing the attached Supplementary Circular Form of Proxy and returning it to the Transfer Secretaries within 24 hours prior to the Rescheduled General Meeting for administrative purposes. Any Supplementary Circular Forms of Proxy not delivered by this time may be forwarded to the Transfer Secretaries at any time prior to the commencement of voting on the Resolutions proposed at the Rescheduled General Meeting. If you appoint someone other than the Chairperson of the Rescheduled General Meeting as your proxy and want them to participate in the Rescheduled General Meeting, a duly completed Supplementary Circular Electronic Participation Form should be submitted.

Joint Holders

The MOI provides that any one of the joint holders of Shares may vote either personally or by proxy at any meeting as if they were solely entitled to exercise that vote, and, if more than one of those joint holders is present at the Rescheduled General Meeting, either personally or by proxy, the joint holder who tenders a vote (including an abstention) and whose name stands in the Register before the other joint holder(s) who are present, in person or by proxy will be the one entitled to vote.

By order of the Board

Wazeer Moosa

Company Secretary

27 May 2024

Registered office

AYO Technology Solutions Limited
10th Floor, Convention Towers
Cnr Heerengracht and Walter Sisulu Avenue
Foreshore
Cape Town, 8001
(PO Box 181, Cape Town, 8000)

Transfer Secretaries

JSE Investor Services Proprietary Limited
(Registration number 2000/007239/07)
Fifth Floor, One Exchange Square
2 Gwen Lane
Sandown, Sandton, 2196
(PO Box 4844, Johannesburg, 2000)

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")



SUPPLEMENTARY CIRCULAR ELECTRONIC PARTICIPATION FORM

Participation at the Rescheduled General Meeting via Electronic Communication

The definitions and interpretations commencing on page 5 of this Supplementary Circular, apply mutatis mutandis to this Supplementary Circular Electronic Participation Form.

Shareholders or their duly appointed proxy(ies) that wish to participate in the Rescheduled General Meeting via electronic communication ("**Participants**") must apply to JSE Investor Services, by delivering the fully completed Supplementary Circular Electronic Participation Form to Fifth Floor, One Exchange Square, Gwen Lane, Sandown, 2196 or posting it to PO Box 4844, Johannesburg, 2000 (at the risk of the Participant), or by email to meetfax@jseinvestorservices.co.za so as to be received by JSE Investor Services no later than 10:00 on Friday, 21 June 2024. JSE Investor Services will first validate such requests and confirm the identity of the Shareholder in terms of section 63(1) of the Companies Act, and, if the request is validated, further details on using the electronic communication facility will be provided.

Important notice

The Company shall, by 10:00 on Monday, 24 June 2024 notify Participants that have delivered valid notices in the form of this Supplementary Circular Electronic Participation Form, by email of the relevant details through which Participant can participate electronically.

Full name of Participant: _____

Identity number: _____

Email address: _____

Cell number: _____

Telephone number (code and number): _____

Name of CSDP or broker (if Shares are held in dematerialised format): _____

Contact number of CSDP/broker: _____

Contact person at CSDP/broker: _____

Number of share certificate (if applicable): _____

Signature: _____

Date: _____

Terms and conditions for participation in the Rescheduled General Meeting via electronic communication

1. The cost of electronic participation in the Rescheduled General Meeting is for the expense of the Participant and will be billed separately by the Participant's own service provider.
2. The Participant acknowledges that the electronic communication services are provided by third parties and indemnifies AYO against any loss, injury, damage, penalty or claim arising in any way from the use or possession of the electronic services, whether or not the problem is caused by any act or omission on the part of the Participant or anyone else. In particular, but not exclusively, the Participant acknowledges that he/she will have no claim against the Company, whether for consequential damages or otherwise, arising from the use of the electronic services or any defect in it or from total or partial failure of the electronic services and connections linking the Participant via the electronic services to the Rescheduled General Meeting.
3. The application to participate in the Rescheduled General Meeting electronically will only be deemed successful if this Supplementary Circular Electronic Application Form has been completed and signed by the Participant.
4. AYO cannot guarantee there will not be a break in electronic communication that is beyond the control of the Company.

Participant's name: _____

Signature: _____

Date: _____

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SUPPLEMENTARY CIRCULAR FORM OF PROXY

For use by Certificated Shareholders and Dematerialised Shareholders with own name registration only

The definitions and interpretations commencing on page 5 of this Supplementary Circular, apply mutatis mutandis to this Supplementary Circular Form of Proxy.

For use only by Certificated Shareholders and Dematerialised Shareholders with own name registration who wish to vote on the Resolutions as set out in the Notice of Rescheduled General Meeting attached to and forming part of this Supplementary Circular to which this form is attached, at the Rescheduled General Meeting to be held virtually through electronic communication at 10:00 on Wednesday, 26 June 2024.

I/We

(full name/s in block letters)

of (address)

Telephone work

Cell number

Email address

being the holder/custodian of Shares and entitled to vote, do hereby appoint (see note 1):

1. _____ or failing him/her,
2. _____ or failing him/her,
3. the Chairperson of the Rescheduled General Meeting,

as my/our proxy to virtually attend, speak and vote for me/us on my/our behalf at the Rescheduled General Meeting (or any postponement or adjournment thereof) convened for purpose of considering and, if deemed fit, passing, with or without modification, the Resolutions to be proposed thereat, and to vote for and/or against such Resolutions, and/or to abstain from voting for and/or against the Resolutions, in respect of the Shares registered in my/our name in accordance with the following instructions (see note 2):

	Number of Shares		
	For	Against	Abstain
Special Resolution Number 1 - Initial Specific Repurchase			
Special Resolution Number 2 - MOI Amendments			
Ordinary Resolution 1 - Authority			

Please indicate with an "X" or the relevant number of votes in the relevant spaces above according to how you wish your votes to be cast. If you wish to cast your votes in respect of a lesser number of Shares than you own in the Company, insert the number of Shares held in respect of which you desire to vote (see note 2).

Signed at _____ on this _____ day of _____ 2024

Signature(s)

Authority of signatory attached (see notes 4 and 5)

Assisted by (where applicable)

Only Certificated Shareholders or Dematerialised Shareholders with own name registration who are entitled to virtually attend, participate in and vote at the Rescheduled General Meeting and at any adjournment thereof may appoint one or more proxies to virtually attend, participate, speak and vote in place of such Shareholder. A proxy so appointed need not be a Shareholder of the Company.

Please read the notes on the reverse side hereof.

Summary of Rights Contained in section 58 of the Companies Act, 2008 (Act 71 of 2008), as amended (“Companies Act”)

Although the following is a summary of section 58 of the Companies Act, Shareholders are reminded that the General Meeting will be conducted entirely by electronic facility/communication and as such, there will be no physical meeting).

In terms of section 58 of the Companies Act:-

- **a shareholder may, at any time and in accordance with the provisions of section 58 of the Companies Act, appoint any individual (including an individual who is not a shareholder) as a proxy to participate in, and speak and vote at, a shareholders meeting on behalf of such shareholder;**
- **a proxy may delegate her or his authority to act on behalf of a shareholder to another person, subject to any restriction set out in the instrument appointing such proxy;**
- **irrespective of the form of instrument used to appoint a proxy, the appointment of a proxy is suspended at any time and to the extent that the relevant shareholder chooses to act directly and in person in the exercise of any of such shareholder’s rights as a shareholder;**
- **irrespective of the form of instrument used to appoint a proxy, any appointment by a shareholder of a proxy is revocable, unless the form of instrument used to appoint such proxy states otherwise;**
- **if an appointment of a proxy is revocable, a shareholder may revoke the proxy appointment by: (i) cancelling it in writing, or making a later inconsistent appointment of a proxy and (ii) delivering a copy of the revocation instrument to the proxy and to the company; and**
- **a proxy appointed by a shareholder is entitled to exercise, or abstain from exercising, any voting right of such shareholder without direction, except to the extent that the relevant company’s memorandum of incorporation, or the instrument appointing the proxy, provides.**

Notes:

1. The record date on which Shareholders must have been recorded as such in the Register maintained by the Transfer Secretaries of the Company for purposes of being entitled to receive this Notice of Rescheduled General Meeting is Friday, 17 May 2024.
2. The record date on which Shareholders must be recorded in the register of the Company for purposes of being entitled to virtually attend, participate in and vote at the Rescheduled General Meeting is Friday, 21 June 2024, with the last day to trade being Tuesday, 18 June 2024.
3. Meeting participants will be required to provide proof of identification to the reasonable satisfaction of the Chairperson of the Rescheduled General Meeting and must accordingly submit a copy of their identity document, driver’s license or passport to the Transfer Secretaries at meetfax@jseinvestorservices.co.za. If in doubt as to whether any document will be regarded as satisfactory proof of identification, meeting participants should contact the Transfer Secretaries for guidance.
4. A Certificated Shareholder or Dematerialised Shareholder who has elected own name registration in the sub-register through a CSDP may insert the name of a proxy or the names of two alternative proxies of the Shareholder’s choice in the space/s provided, with or without deleting “the Chairperson of the Rescheduled General Meeting”, but any such deletion must be signed in full by the Shareholder concerned. The person whose name appears first on the Supplementary Circular Form of Proxy and who is virtually present at the Rescheduled General Meeting will be entitled to act as proxy to the exclusion of those whose names follow. If no proxy is inserted in the spaces provided, the Chairperson shall be deemed to be appointed as the proxy to vote in the manner indicated in the form and if no clear indication is made, to vote in favour of the proposed Resolutions.
5. Please insert an “X” in the relevant spaces according to how you wish your votes to be cast. However, if you wish to cast your votes in respect of a lesser number of Shares than you own in the Company, insert the number of Shares held in respect of which you wish to vote. Failure to comply with the above will be deemed to authorise the proxy to vote or to abstain from voting at the Rescheduled General Meeting as he/she deems fit in respect of all the Shareholders’ votes exercisable thereat provided that in the case of the Chairperson, he shall be required to vote in favour of the Resolutions. A Shareholder or his proxy is not obliged to use all the votes exercisable by the Shareholder or by his proxy, but the total of the votes cast and in respect whereof abstentions recorded may not exceed the total of the votes exercisable by the Shareholder or by his proxy.
6. The date must be filled in on this Supplementary Circular Form of Proxy when it is signed.
7. The completion and lodging of this Supplementary Circular Form of Proxy will not preclude the relevant Shareholder from virtually attending and participating in the Rescheduled General Meeting and voting thereat, in accordance with the provisions set out in this Supplementary Circular, to the exclusion of any proxy appointed in terms hereof. Where there are joint holders of Shares, the vote of the senior joint holder who tenders a vote, as determined by the order in which the names stand in the register of members, will be accepted.
8. Documentary evidence establishing the authority of a person signing this Supplementary Circular Form of Proxy in a representative capacity must be attached to this Supplementary Circular Form of Proxy unless previously recorded by the Company’s Transfer Secretaries or waived by the Chairperson of the Rescheduled General Meeting.
9. Where this Supplementary Circular Form of Proxy is signed under power of attorney, such power of attorney must accompany this Supplementary Circular Form of Proxy unless it has previously been registered with the Company or the Transfer Secretaries.
10. A vote given in accordance with the terms of a proxy shall be valid notwithstanding the previous death or insanity of the principal, or revocation of the proxy, or of the authority under which the proxy was executed, or the transfer of the Shares in respect of which the proxy is given, provided that no intimation in writing of such death, insanity or revocation shall have been received by the Transfer Secretaries by no later than one hour before the commencement of the Rescheduled General Meeting at which the proxy is to be used.
11. Any alterations or corrections made to this Supplementary Circular Form of Proxy must be signed in full and not only initialled by the signatories.
12. A minor must be assisted by his parent or guardian unless the relevant documents establishing his legal capacity are produced or have been registered by the Transfer Secretaries of the Company.
13. On a poll, every Shareholder present in person or represented by proxy shall have one vote for every Share held by such Shareholder.
14. The Chairperson of the Rescheduled General Meeting may accept or reject any Supplementary Circular Form of Proxy, in his absolute discretion, which is completed other than in accordance with these notes.
15. Supplementary Circular Forms of Proxy must be received by the Transfer Secretaries, for administrative purposes by no later than 10:00 on Monday, 24 June 2024. Any Supplementary Circular Forms of Proxy not delivered by this time may be forwarded to the Transfer Secretaries at any time prior to the commencement of voting on any Resolutions proposed at the Rescheduled General Meeting.