



**CONSISTENTLY
DELIVERING**

AFRIMAT[®]
LIMITED

2023

NOTICE OF ANNUAL GENERAL MEETING 2023

incorporating the audited summary
consolidated financial statements for the
year ended 28 February 2023

www.afrimat.co.za

Afrimat Limited ('Afrimat' or 'the Company' or 'the Group') (Incorporated in the Republic of South Africa)
(Registration number: 2006/022534/06) Share code: AFT ISIN code: ZAE000086302

Notice of Annual General Meeting

Afrimat Limited

(Registration number: 2006/022534/06)

Share code: AFT

ISIN: ZAE000086302

('Afrimat' or 'the Company')

Notice is hereby given that the annual general meeting ('AGM') of shareholders of Afrimat will be held at the Protea Hotel, Durbanville, 99 Jip De Jager Drive, Vineyards Office Estate, Tyger Valley, 7530 on Wednesday, 02 August 2023 at 14:00.

Purpose

The purpose of the AGM is to transact the business set out in the agenda below.

Agenda

Presentation of the audited annual financial statements of the Company, including the reports of the directors and the Audit & Risk Committee for the year ended 28 February 2023. The integrated annual report, of which this notice forms part, contains the consolidated annual financial statements for the year ended 28 February 2023 and the aforementioned reports. The consolidated annual financial statements for the year ended 28 February 2023, including the unmodified audit opinion, are also available on Afrimat's website at www.afrimat.co.za or may be requested and obtained in person, at no charge, at the registered office of the Company during office hours. In addition, electronic copies of the consolidated annual financial statements for the year ended 28 February 2023 may be requested and obtained, at no charge, from the Company at secretary@afriamat.co.za.

To consider and, if deemed fit, approve, with or without modification, the following ordinary resolutions:

Note:

For ordinary resolutions numbers 1 to 15 (inclusive) to be adopted, more than 50% of the voting rights exercised on the applicable ordinary resolution must be exercised in favour thereof. For ordinary resolutions numbers 16 and 17 to be adopted, at least 75% of the voting rights exercised on the applicable ordinary resolution must be exercised in favour thereof.

1. Adoption of annual financial statements

1.1 Ordinary resolution number 1

'Resolved that the annual financial statements of the Company and its subsidiaries for the year ended 28 February 2023 be and are hereby received and adopted.'

2. Retirement, election and re-election of directors

2.1 Ordinary resolution number 2

'Resolved that Mr Jacobus (Derick) F van der Merwe, who retires by rotation in terms of the memorandum of incorporation of the Company and, being eligible, offers himself for re-election, be and is hereby re-elected as director.'

Summary curriculum vitae of Mr Jacobus (Derick) F van der Merwe

BCompt (Hons), CA(SA)

Derick, a chartered accountant, was the Managing Director and CEO of the highly successful Victoria & Alfred Waterfront Proprietary Limited, in Cape Town when he left to start his own company, DVDM Properties Proprietary Limited (that also operated in the People Spaces group until 2014) both offering international property development management and consulting services. Prior to that, he was an executive director within various companies in the Stocks & Stocks construction group of companies. Derick was a non-executive director of PNA Stationers for 11 years (including Chairman) and served as non-executive on a few other boards and trusts. He is a retired member of South African Institute of Realtors and Associate Chartered Institute of Building. He serves currently as a non-executive director (Lead Independent Director since 1 February 2021) on the board of Accelerated Property Fund Limited.

2.2 Ordinary resolution number 3

'Resolved that Mr Loyiso Dotwana, who retires by rotation in terms of the memorandum of incorporation of the Company and, being eligible, offers himself for re-election, be and is hereby re-elected as director.'

Summary curriculum vitae of Mr Loyiso Dotwana

BSc Civil Engineering (University of Cape Town)

Loyiso worked as a civil engineer in design and project management for more than 20 years. He specialised in design and contract administration of township services and rural, urban and national roads. He was involved in the conceptual and detailed design of bulk services for the Coega Industrial Development Zone in Port Elizabeth. Loyiso founded Illiso Consulting Proprietary Limited, one of South Africa's largest black owned consulting engineering companies, of which he is currently a director and the major shareholder. Loyiso was appointed to the Afrimat Board since its listing in 2006. He serves as Chairman of the Social, Ethics & Sustainability Committee.

2.3 Ordinary resolution number 4

'Resolved that Mr Johannes HP (Johan) van der Merwe, who retires by rotation in terms of the memorandum of incorporation of the Company and, being eligible, offers himself for re-election, be and is hereby re-elected as director.'

Summary curriculum vitae of Mr Johannes HP (Johan) van der Merwe

CA(SA), Master in Income Tax (University of Pretoria), MPhil Finance (Cambridge University), Advanced Management Programme (Harvard Business School), Challenge of Leadership (Insead Business School)

Johan joined Investec Asset Management in 1997 as Head of Resources and became the Global Sector Head of Resources in 2000. He was a director and executive committee member of Investec Asset Management. In 2002 he was appointed as CEO of Sanlam Investment Management. He stepped down as the CEO of Sanlam Investment Management on 1 November 2015 and remained on the Sanlam Investments, Capital Markets and Employee Benefits Boards, respectively, as non-executive director. He is a chartered accountant and is currently co-CEO of African Rainbow Capital Proprietary Limited. Johan was appointed to the Afrimat Board in 2017.

2.4 Ordinary resolution number 5

'Resolved that the appointment of Mr Nicolaas AS Kruger, as a director be and is hereby approved by shareholders.'

Summary curriculum vitae of Mr Nicolaas AS (Nicolaas) Kruger

BCom (Mathematics) Cum Laude, FFA (Fellow of the Faculty of Actuaries), AMP (Advanced Management Program, Oxford University), CD(SA) (Chartered Director)

Nicolaas Kruger is a business executive with more than 30 years' experience in South Africa. He has extensive experience as a director and currently serves as a non-executive director on various boards, including Sanlam, GWK (Chairman), Gen Re, Granor Passi, Brenn-O-Kem (Chairman) and Afrimat. He served as Group CEO of the insurance group MMI for seven years and was chief actuary of Momentum for 10 years. He has gained experience doing business internationally, including various countries in Africa. He has also gained in-depth experience of corporate transactions throughout his career. He served on the board of the Association for Savings and Investment South Africa (ASISA) for 9 years.

3. Appointment and re-appointment of the members of the Audit & Risk Committee of the Company

Note:

For avoidance of doubt, each reference to the Audit & Risk Committee of the Company is a reference to the audit committee as contemplated in the Companies Act.

3.1 Ordinary resolution number 6

'Resolved that Mr Loyiso Dotwana, being eligible, be and is hereby appointed as a member of the Audit & Risk Committee of the Company, as recommended by the Board, until the next annual general meeting of the Company.'

A summary curriculum vitae of Mr Loyiso Dotwana has been included in paragraph 2.2 above.

3.2 Ordinary resolution number 7

'Resolved that Mr Francois M Louw, being eligible, be and is hereby re-appointed as a member of the Audit & Risk Committee of the Company, as recommended by the Board, until the next annual general meeting of the Company.'

Summary curriculum vitae of Mr Francois M Louw

BEng (Mechanical), MBA

Francois holds a BEng (Mechanical) and MBA degree and has 34 years' experience in the mining industry. He has extensive experience in company strategy, major capital projects, commercial negotiations, business development and engineering. He was a member of the inaugural executive committee when Kumba Iron Ore Limited, a subsidiary of the Anglo American PLC group, was listed on the JSE in November 2006 and served on the executive committee and the board of Sishen Iron Ore Proprietary Limited, a Kumba Iron Ore Limited subsidiary up until April 2015. Prior to this, Francois served in various operations and project positions in the iron ore, heavy minerals and coal sectors.

3.3 Ordinary resolution number 8

'Resolved that Mr Jacobus (Derick) F van der Merwe, being eligible, be and is hereby re-appointed as a member of the Audit & Risk Committee of the Company, as recommended by the Board, until the next annual general meeting of the Company.'

A summary curriculum vitae of Mr Jacobus (Derick) F van der Merwe has been included in paragraph 2.1 above.

3.4 Ordinary resolution number 9

'Resolved that Ms Sisanda Tuku, being eligible, be and is hereby re-appointed as a member of the Audit & Risk Committee of the Company, as recommended by the Board, until the next annual general meeting of the Company.'

Summary curriculum vitae of Ms Sisanda Tuku:

BCom Financial Accounting (Honours) CA(SA)

Sisanda has over 18 years' experience in the financial services sector, with extensive experience in structured finance, capital raising, corporate finance, infrastructure and public private partnerships financial advisory. She is currently the CEO of THEZA Capital Proprietary Limited, a financial advisory services company with a 15-year track record of ground-breaking transactions. She is passionate about elevating people, the businesses she is involved in as well as developing her leadership skills. In 2016, she was selected to be part of the International Women's Forum Leadership Foundation Fellows Programme for emerging global leaders in conjunction with the Harvard and INSEAD Business Schools.

Prior to this, Sisanda was part of Investec Bank's structured finance team where she was responsible for funding transactions in the mid-market space, including mergers and acquisitions, leveraged buyouts as well as black economic empowerment deals.

3.5 Ordinary resolution number 10

'Resolved that, subject to the approval of ordinary resolution number 5, Mr Nicolaas AS Kruger, being eligible, be and is hereby appointed as a member of the Audit & Risk Committee of the Company, as recommended by the Board, until the next annual general meeting of the Company.'

A summary curriculum vitae of Mr Nicolaas AS Kruger was included in paragraph 2.4 above.

4. Re-appointment of auditor

4.1 Ordinary resolution number 11

'Resolved that PricewaterhouseCoopers Inc. be and is hereby re-appointed as auditor of the Company for the ensuing financial year or until the next annual general meeting of the Company, whichever is the later, with the designated auditor being Mr Dawid de Jager, a registered auditor and partner in the firm, on the recommendation of the Audit & Risk Committee of the Company.'

The reason for ordinary resolution number 11 is that the Company, being a public listed company, must have its financial results audited and such auditor must be appointed or re-appointed each year at the annual general meeting of the Company as required by the Companies Act and the JSE Listings Requirements.

5. Non-binding endorsement of Afrimat's remuneration policy

5.1 Ordinary resolution number 12

'Resolved that the Company's remuneration policy, as set out in Annexure A, be and is hereby endorsed by way of a non-binding advisory vote.'

The reason for ordinary resolution number 12 is that the King IV Report on Corporate Governance™ for South Africa, 2016 ('King IV™') recommends, and the JSE Listings Requirements require, that the remuneration policy of a company be tabled for a non-binding advisory vote by shareholders at each annual general meeting of such company. This enables shareholders to express their views on the remuneration policy adopted by the Company's Remuneration Committee. The effect of ordinary resolution number 12, if passed, will be to endorse the Company's remuneration policy. Ordinary resolution number 12 is of an advisory nature only and failure to pass this resolution will therefore not have any legal consequences relating to existing remuneration agreements. However, the Board will take the outcome of the vote into consideration when considering amendments to the Company's remuneration policy.

6. Non-binding endorsement of Afrimat's implementation report on the remuneration policy

6.1 Ordinary resolution number 13

'Resolved that the Company's implementation report in respect of its remuneration policy, as set out in Annexure A, be and is hereby endorsed by way of a non-binding advisory vote.'

The reason for ordinary resolution number 13 is that King IV™ recommends, and the JSE Listings Requirements require, that the implementation report on a company's remuneration policy be tabled for a non-binding advisory vote by shareholders at each annual general meeting of such company. This enables shareholders to express their views on the implementation of the Company's remuneration policy. The effect of ordinary resolution number 13, if passed, will be to endorse the Company's implementation report in relation to the remuneration policy. Ordinary resolution number 13 is of an advisory nature only and failure to pass this resolution will therefore not have any legal consequences relating to existing remuneration agreements. However, the Board will take the outcome of the vote into consideration when considering amendments to implementation of the Company's remuneration policy.

Note:

Should 25% or more of the votes exercised in respect of ordinary resolution number 12 and/or ordinary resolution number 13 be against either resolution, the Company will issue an invitation to those shareholders who voted against the applicable resolution to engage with the Company.

7. Signature of documentation

7.1 Ordinary resolution number 14

'Resolved that a director of the Company or the Company Secretary be and is hereby authorised to sign all such documentation and do all such things as may be necessary for or incidental to the implementation of the ordinary and special resolutions which are passed by the shareholders at the AGM.'

8. Issue of shares

8.1 Ordinary resolution number 15: Unissued ordinary shares

'Resolved that all the authorised but unissued ordinary shares of the Company, be and are hereby placed at the disposal and under the control of the directors, and that the directors be and are hereby authorised to allot, issue and otherwise to dispose of all or any of such shares at their discretion, in terms of and subject to the provisions of the Companies Act and the JSE Listings Requirements.'

8.2 Ordinary resolution number 16: General authority to issue ordinary shares for cash

'Resolved that the directors of the Company be and are hereby authorised, by way of a general authority, to allot and issue any of the Company's unissued shares for cash as they in their discretion may deem fit, without restriction, subject to the provisions of the Company's memorandum of incorporation, the Companies Act and the JSE Listings Requirements, provided that:

- ▶ the approval shall be valid until the date of the next annual general meeting of the Company, provided it shall not extend beyond 15 (fifteen) months from the date of this resolution;
- ▶ the general issues of shares for cash under this authority may not exceed, in aggregate, 5% of the Company's issued share capital (number of securities) of that class as at the date of this notice of AGM, it being recorded that ordinary shares issued pursuant to a rights offer to shareholders, in consideration for acquisitions, issued in connection with the Company's Forfeitable Share Plan or the Company's Share Appreciation Right Scheme, in accordance with the JSE Listings Requirements, shall not diminish the number of ordinary shares that comprise the 5% of the ordinary shares that can be issued in terms of this ordinary resolution. As at the date of this notice of AGM, 5% of the issued ordinary shares (net of treasury shares) of the Company amounts to 7 435 148 ordinary shares;
- ▶ in determining the price at which an issue of shares will be made in terms of this authority the maximum discount permitted will be 10% of the weighted average traded price of such shares, as determined over the 30 business days prior to the date that the price of the issue is agreed between the Company and the party subscribing for the securities. The JSE Limited will be consulted for a ruling if the securities have not traded in such 30 business day period;
- ▶ any such issue will only be made to public shareholders as defined in paragraphs 4.25 to 4.27 of the JSE Listings Requirements and not to related parties;
- ▶ any such issue will only be comprised of securities of a class already in issue or, if this is not the case, will be limited to such securities or rights that are convertible into a class already in issue;
- ▶ in the event that the securities issued represent, on a cumulative basis, 5% or more of the number of securities in issue prior to that issue, an announcement containing the full details of such issue shall be published on the Stock Exchange News Service; and
- ▶ related parties may participate in a general issue for cash through a bookbuild process in terms of the JSE Listings Requirements.'

For listed entities wishing to issue shares for cash (other than issues by way of rights offers, in consideration for acquisitions and/or in connection with duly approved share incentive schemes), it is necessary for the Board of the Company to obtain the prior authority of the shareholders in accordance with the JSE Listings Requirements and the memorandum of incorporation of the Company. Accordingly, the reason for ordinary resolution number 16 is to obtain a general authority from shareholders to issue shares for cash in compliance with the JSE Listings Requirements and the memorandum of incorporation of the Company.

Note:

For this resolution to be adopted, at least 75% of the voting rights exercised on it, whether in person or by proxy, must be exercised in favour of this resolution.

9. Amendment of the Afrimat Limited Share Appreciation Right Scheme

9.1 Ordinary resolution number 17

'Resolved, as an ordinary resolution, that the Board be and are hereby authorised, to adopt and/or authorise the adoption of the amendments to the Afrimat Limited Share Appreciation Right ('SAR') Scheme by amending clauses 2.1.38 and 9.1 of the SAR Scheme to read as follows:

- ▶ Clause 2.1.38: 'Purchase Programme' a purchase programme wherein the dates and quantities of securities to be traded during a Prohibited Period are fixed (not subject to any variation) and which has been submitted to the JSE in writing prior to the commencement of the Prohibited Period, which purchase programme is in accordance with the provisions of the JSE Listings Requirements.
- ▶ Clause 9.1: Following the Exercise of SARs, the Company or relevant Employer Company will within 30 (thirty) days of the Exercise Date procure the Settlement of the number of Shares calculated in accordance with Rule 9.2 to the Participant, in accordance with the Settlement methods described in Rule 9.4 (which Settlement may be effected net of taxation (i.e. on a net settlement basis).

The SAR Scheme, as amended, is available for inspection from the date of this notice of AGM until the conclusion of the AGM convened in terms thereof at the registered office of the Company and at the offices of the Company's JSE sponsor, Valeo Capital Proprietary Limited, at unit 12, Paardevlei Specialist Centre, Somerset West, 7130, during office hours.

Note:

The above ordinary resolution must be approved by 75% of the votes cast by shareholders present in person or represented by proxy at this AGM in terms of Schedule 14. In determining whether the requisite number of votes have been achieved to adopt this resolution, the votes attaching to any ordinary shares acquired in terms of the SAR and owned or controlled by persons who are existing participants in the SAR, and which may be impacted by the above-mentioned resolution, shall not be considered.

To consider and, if deemed fit, pass, with or without modification, the following special resolutions:

Note:

For any of the special resolutions numbers 1 to 15 (inclusive) to be adopted, at least 75% of the voting rights exercised on the applicable special resolution must be exercised in favour thereof.

10. Remuneration of non-executive directors

Special resolutions numbers 1 to 12

*Resolved, in terms of section 66(9) of the Companies Act, that the Company be and is hereby authorised to remunerate its directors for their services as directors on the basis set out below, which includes serving on various sub-committees, provided that this authority will be valid until the next annual general meeting of the Company:

10.1 Special resolution number 1

Resolved that the Chairman of the Board be paid an annual fee of R1 047 000 (excluding value added tax ('VAT'));

10.2 Special resolution number 2

Resolved that the non-executive directors be paid an annual fee of R368 000 (excluding VAT);

10.3 Special resolution number 3

Resolved that the Chairman of the Audit & Risk Committee be paid an annual fee of R221 000 (excluding VAT);

10.4 Special resolution number 4

Resolved that the Audit & Risk Committee members be paid an annual fee of R121 000 (excluding VAT);

10.5 Special resolution number 5

Resolved that the Chairman of the Remuneration Committee be paid an annual fee of R87 000 (excluding VAT);

10.6 Special resolution number 6

Resolved that the Chairman of the Nominations Committee be paid an annual fee of R87 000 (excluding VAT);

10.7 Special resolution number 7

Resolved that the Remuneration & Nominations Committee members be paid an annual fee of R68 000 (excluding VAT);

10.8 Special resolution number 8

Resolved that the Chairman of the Social, Ethics & Sustainability Committee be paid an annual fee of R105 000 (excluding VAT);

10.9 Special resolution number 9

Resolved that the Social, Ethics & Sustainability Committee members be paid an annual fee of R68 000 (excluding VAT);

10.10 Special resolution number 10

Resolved that the Chairman of the Investment Review Committee be paid an annual fee of R105 000 (excluding VAT);

10.11 Special resolution number 11

Resolved that the Investment Review Committee members be paid an annual fee of R68 000 (excluding VAT); and

10.12 Special resolution number 12

Resolved that the non-executive directors receive a daily rate of R22 000 (excluding VAT) in respect of rare circumstances falling outside the ambit of scheduled annual commitments.'

All approved fixed annual fee payments will be updated and paid on 31 August 2023 and backdated as from 1 March 2023.

The reason for special resolutions numbers 1 to 12 (inclusive) is to allow the Company to obtain the approval of shareholders by way of a special resolution for the payment of remuneration to its non-executive directors in accordance with the requirements of the Companies Act.

The effect of special resolutions numbers 1 to 12 (inclusive), if passed, is that the Company will be able to pay its non-executive directors for the services they render to the Company as directors without requiring further shareholder approval until the next annual general meeting of the Company.

11. Inter-company financial assistance

11.1 Special resolution number 13: Inter-company financial assistance

'Resolved, in terms of section 45(3)(a)(ii) of the Companies Act, as a general approval, that the Board be and is hereby authorised to approve that the Company provides any direct or indirect financial assistance ('financial assistance' will herein have the meaning attributed to it in section 45(1) of the Companies Act), that the Board may deem fit to any company or corporation that is related or inter-related ('related' and 'inter-related' will herein have the meanings attributed to them in section 2 of the Companies Act) to the Company, on the terms and conditions and for amounts that the Board may determine, provided that the aforementioned approval shall be valid until the date of the next annual general meeting of the Company.'

The reason for and effect, if passed, of special resolution number 13 is to grant the directors of the Company the authority, until the next annual general meeting of the Company, to provide direct or indirect financial assistance to any company or corporation which is related or inter-related to the Company. This means that the Company is, *inter alia*, authorised to grant loans to its subsidiaries and to guarantee the debt of its subsidiaries.

11.2 Special resolution number 14: Financial assistance for the subscription and/or purchase of shares in the Company or a related or inter-related company

'Resolved, in terms of section 44(3)(a)(ii) of the Companies Act, as a general approval, that the Board be and is hereby authorised to approve that the Company provides any direct or indirect financial assistance ('financial assistance' will herein have the meaning attributed to it in sections 44(1) and 44(2) of the Companies Act), that the Board may deem fit to any person, including any company or corporation that is related or inter-related to the Company ('related' and 'inter-related' will herein have the meanings attributed to such terms in section 2 of the Companies Act) and/or to any financier who provides funding by subscribing for preference shares or other securities in the Company or any company or corporation that is related or inter-related to the Company, on the terms and conditions and for amounts that the Board may determine for the purpose of, or in connection with the subscription of any option, or any shares or other securities, issued or to be issued by the Company or a related or inter-related company or corporation, or for the purchase of any shares or securities of the Company or of a related or inter-related company or corporation, provided that the aforementioned approval shall be valid until the date of the next annual general meeting of the Company.'

The reason for and effect, if passed, of special resolution number 14 is to grant the directors the authority, until the next annual general meeting of the Company, to provide financial assistance to any person, including any company or corporation which is related or inter-related to the Company and/or any financier for the purpose of or in connection with the subscription or purchase of options, shares or other securities in the Company or any related or inter-related company or corporation. This means that the Company is authorised, *inter alia*, to grant loans to its subsidiaries and to guarantee and furnish security for the debt of its subsidiaries where any such financial assistance is directly or indirectly related to a party subscribing for options, shares or securities in the Company or its subsidiaries. A typical example of where the Company may rely on this authority is where a wholly owned subsidiary raises funds by way of issuing preference shares and the third-party funder requires the Company to furnish security, by way of a guarantee or otherwise, for the obligations of its wholly owned subsidiary to the third-party funder arising from the issue of the preference shares.

In terms of and pursuant to the provisions of sections 44 and 45 of the Companies Act, the directors of the Company confirm that the Board will satisfy itself, after considering all reasonably foreseeable financial circumstances of the Company, that immediately after providing any financial assistance as contemplated in special resolutions numbers 13 and 14 above:

- ▶ the assets of the Company (fairly valued) will equal or exceed the liabilities of the Company (fairly valued) (taking into consideration the reasonably foreseeable contingent assets and liabilities of the Company); and
- ▶ the Company will be able to pay its debts as they become due in the ordinary course of business for a period of 12 months.

In addition, prior to providing any financial assistance under special resolutions numbers 13 and 14, the Board will satisfy itself that:

- ▶ the terms under which any financial assistance is proposed to be provided, will be fair and reasonable to the Company; and
- ▶ all relevant conditions and restrictions (if any) relating to the granting of financial assistance by the Company as contained in the Company's memorandum of incorporation have been met.

12. Share repurchases by the Company and its subsidiaries

12.1 Special resolution number 15

'Resolved, as a special resolution, that the Company and the subsidiaries of the Company, be and are hereby authorised, as a general approval, to repurchase any of the shares issued by the Company, upon such terms and conditions and in such amounts as the directors may from time to time determine, but subject to the provisions of sections 46 and 48 of the Companies Act, the memorandum of incorporation of the Company and the JSE Listings Requirements, including, *inter alia*, that:

- ▶ general repurchase of the shares may only be implemented through the order book operated by the JSE trading system and done without any prior understanding or arrangement between the Company and the counterparty;
- ▶ this general authority shall only be valid until the next annual general meeting of the Company, provided that it shall not extend beyond fifteen months from the date of this resolution;
- ▶ an announcement must be published as soon as the Company has acquired shares constituting, on a cumulative basis, 3% of the number of shares in issue on the date that this authority is granted, containing full details thereof, as well as for each 3% in aggregate of the initial number of shares acquired thereafter;
- ▶ the general authority to repurchase is limited to a maximum of 20%, in aggregate, in any one financial year of the Company's issued share capital of that class at the time the authority is granted;
- ▶ a resolution has been passed by the Board of directors approving the repurchase, that the Company and its subsidiaries ('the Group') has satisfied the solvency and liquidity test as defined in the Companies Act, and that since the solvency and liquidity test was applied, there have been no material changes to the financial position of the Group;
- ▶ the general repurchase is authorised by the Company's memorandum of incorporation;
- ▶ repurchases must not be made at a price more than 10% above the weighted average of the market value of the shares for the five business days immediately preceding the date that the transaction is effected. The JSE will be consulted for a ruling if the Company's securities have not traded in such five-business-day period;

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- ▶ the Company may at any point in time only appoint one agent to effect any repurchase(s) on the Company's behalf; and
- ▶ the Company may not effect a repurchase during any prohibited period as defined in terms of the JSE Listings Requirements unless there is a repurchase programme in place, which programme has been submitted to the JSE in writing prior to the commencement of the prohibited period and executed by an independent third party, as contemplated in terms of paragraph 5.72(h) of the JSE Listings Requirements.'

The reason for and effect, if passed, of special resolution number 15 is to grant the directors a general authority in terms of the Company's memorandum of incorporation and the JSE Listings Requirements for the acquisition by the Company or by a subsidiary of the Company of shares issued by the Company on the basis reflected in special resolution number 15. The Company has no immediate plans to use this authority and is simply obtaining same in the interests of prudence and good corporate governance should the need arise to use the authority.

In terms of section 48(2)(b)(i) of the Companies Act, subsidiaries may not hold more than 10%, in aggregate, of the number of the issued shares of a company. For the avoidance of doubt, a *pro rata* repurchase by the Company from all its shareholders will not require shareholder approval, save as may be required by the Companies Act.


13. Other business

To transact such other business as may be transacted at an annual general meeting or raised by shareholders with or without advance notice to the Company.

Information relating to the special resolutions

1. Pursuant to, and in terms of, the JSE Listings Requirements, the Board hereby states that the intention of the directors of the Company is to utilise the general authority to repurchase ordinary shares in the Company if, at some future date, the cash resources of the Company are in excess of its requirements or there are other good reasons for doing so. In this regard, the directors will take account of, *inter alia*, an appropriate capitalisation structure for the Company, the long-term cash needs of the Company, and the interests of the Company.
2. The directors of the Company or its subsidiaries will only utilise the general authority to repurchase shares of the Company as set out in special resolution number 15 to the extent that the directors, after considering the maximum number of shares to be repurchased, are of the opinion that the position of the Group would not be compromised as to the following:
 - ▶ the Group's ability in the ordinary course of business to pay its debts for a period of 12 months after the date of this AGM and for a period of 12 months after the repurchase;
 - ▶ the consolidated assets of the Group (fairly valued) will be in excess of the consolidated liabilities of the Group (fairly valued) at the time of the AGM and at the time of such determination, as well as for a period of 12 months after the date of this AGM and for a period of 12 months following the repurchase. The assets and liabilities should be recognised and measured in accordance with the accounting policies used in the latest audited annual financial statements of the Group;
 - ▶ the ordinary capital and reserves of the Group after the repurchase will remain adequate for the purpose of the business of the Group for a period of 12 months after the AGM and after the date of the share repurchase; and
 - ▶ the working capital available to the Group after the repurchase will be sufficient for the Group's ordinary business purposes for a period of 12 months after the date of the notice of the AGM and after the date of share repurchase.

General information in respect of major shareholders, material changes and the share capital of the Company is contained in the integrated annual report, as well as the full set of annual financial statements, which is also available on Afrimat's website at www.afrimat.co.za or which may be requested and obtained in person, at no charge, at the registered office of Afrimat during office hours. Electronic copies of the consolidated annual financial statements may be requested and obtained, at no charge, from the Company at secretary@afriamt.co.za.

3. The directors, whose names appear on  pages 34 to 35 of the integrated annual report, 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 that this notice of AGM contains all information required by law and the JSE Listings Requirements.
4. Other than the facts and developments reported on in the integrated annual report, there have been no material changes in the affairs or financial position of the Company and its subsidiaries since the date of signature of the audit report and up to the date of this notice.

Voting

1. The date on which shareholders must be recorded as such in the share register maintained by the transfer secretaries of the Company (‘the share register’) for purposes of being entitled to receive this notice is Thursday, 15 June 2023.
2. The date on which shareholders must be recorded in the share register for purposes of being entitled to participate and vote at the AGM is Friday, 28 July 2023, with the last day to trade being Tuesday, 25 July 2023.
3. Meeting participants will be required to provide proof of identification to the reasonable satisfaction of the Chairman of the AGM and must accordingly submit a copy of their valid identity document, passport or driver’s licence to the transfer secretaries via email at proxy@computershare.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. Shareholders entitled to participate and vote at the AGM may appoint one or more proxies to participate, speak and vote thereat in their stead. A proxy need not be a shareholder of the Company. A form of proxy, which sets out the relevant instructions for its completion, is enclosed for use by a certificated shareholder or own-name registered dematerialised shareholder who wishes to be represented at the AGM. Completion of a form of proxy will not preclude such shareholder from participating and voting (in preference to that shareholder’s proxy) at the AGM.
5. Proxy forms are for use by the holders of the Company’s certificated ordinary shares (‘certificated shareholders’) and/or dematerialised ordinary shares held through a Central Securities Depository Participant (‘CSDP’) or broker who have selected own-name registration (‘own-name dematerialised shareholders’). Proxy forms, together with proof of identification and authority to do so (when acting in a representative capacity), should be lodged with the transfer secretaries of the Company, Computershare Investor Services Proprietary Limited, at Rosebank Towers, 15 Biermann Avenue, Rosebank, 2196, or posted to the transfer secretaries at Private Bag X9000, Saxonwold, 2132, South Africa (please note that postal delivery by the due date is at the risk of the shareholder), or emailed to proxy@computershare.co.za to be received, by no later than 14:00 on Monday, 31 July 2023, provided that any form of proxy not delivered to the transfer secretaries by this time may be submitted to the transfer secretaries via email at proxy@computershare.co.za at any time before the appointed proxy exercises any shareholder rights at the AGM, subject to the transfer secretaries verifying the form of proxy and proof of identification before any shareholder rights are exercised.
6. Dematerialised shareholders, other than own-name registered dematerialised shareholders, who wish to participate in the AGM, will need to request their Central Securities Depository Participant (‘CSDP’) or broker to provide them with the necessary authority in terms of the custody agreement entered into between such shareholders and the CSDP or broker.
7. Dematerialised shareholders, other than own-name registered dematerialised shareholders, who are unable to participate the AGM and who wish to be represented thereat, must provide their CSDP or broker with their voting instructions in terms of the custody agreement entered into between themselves and the CSDP or broker in the manner and time stipulated therein.

Notice of Annual General Meeting (continued)

Questions

Shareholders are encouraged to submit, via email, any questions in advance of the AGM to the Company Secretary at secretary@afrimat.co.za. These questions will be addressed at the AGM and will be responded to via email thereafter.

By order of the Board

Catharine Burger
Company Secretary

22 June 2023

Registered office

Tyger Valley Office Park No 2
Corner Willie van Schoor Avenue and Old Oak Road
Tyger Valley
7530
(PO Box 5278, Tyger Valley, 7536)
Telephone: +27 21 917 8840

Transfer secretaries

Computershare Investor Services Proprietary Limited
(Registration number 2004/00364/07)
Rosebank Towers, 15 Biermann Avenue
Rosebank, 2196
(Private Bag X9000, Saxonwold, 2132)
Telephone: +27 11 370 5000
Facsimile: +27 11 688 5200

Form of proxy

Afrimat Limited

(Registration number: 2006/022534/06)

Share code: AFT

ISIN: ZAE000086302

(‘Afrimat’ or ‘the Company’)

For use at the annual general meeting of shareholders of Afrimat to be held at the Protea Hotel, Durbanville, 99 Jip De Jager, Vineyards Office Estate on Wednesday, 2 August 2023 at 14:00.

For use by the holders of the Company’s certificated ordinary shares (‘certificated shareholder’) and/or dematerialised ordinary shares held through a Central Securities Depository Participant (‘CSDP’) or broker who have selected own-name registration (‘own-name dematerialised shareholders’). Additional forms of proxy are available from the transfer secretaries of the Company.

Not for the use by holders of the Company’s dematerialised ordinary shares who are not own-name dematerialised shareholders. Such shareholders must contact their CSDP or broker timeously if they wish to attend and vote at the AGM and request that they be issued with the necessary authorisation to do so, or provide the CSDP or broker timeously with their voting instructions should they not wish to attend the AGM in order for the CSDP or broker to vote thereat in accordance with their instructions.

I/We	(full name in block letters)		
of	(address)		
being the registered holder of	ordinary shares in the Company hereby appoint:		
1.	of	or failing him/her,	
2.	of	or failing him/her,	

3. the Chairman of the AGM,

as my/our proxy to attend, speak and vote on my/our behalf at the AGM for purposes of considering and, if deemed fit, passing, with or without modification, the ordinary resolutions and special resolutions to be proposed thereat and at each adjournment thereof and to vote for and/or against the resolutions and/or abstain from voting in respect of the shares registered in my/our name(s) in accordance with the following instructions (see Notes):

		Number of shares		
		For*	Against*	Abstain*
1.1	Ordinary resolution number 1: To adopt the 2023 annual financial statements			
2.1	Ordinary resolution number 2: To re-elect Mr Jacobus (Derick) F van der Merwe as a director			
2.2	Ordinary resolution number 3: To re-elect Mr Loyiso Dotwana as a director			
2.3	Ordinary resolution number 4: To re-elect Mr Johannes HP (Johan) van der Merwe as a director			
2.4	Ordinary resolution number 5: To approve the appointment of Mr Nicolaas AS Kruger as a director			
3.1	Ordinary resolution number 6: To re-appoint Mr Loyiso Dotwana as a member of the Audit & Risk Committee			
3.2	Ordinary resolution number 7: To re-appoint Mr Francois M Louw as a member of the Audit & Risk Committee			
3.3	Ordinary resolution number 8: To re-appoint Mr Jacobus (Derick) F van der Merwe as a member of the Audit & Risk Committee			
3.4	Ordinary resolution number 9: To re-appoint Ms Sisanda Tuku as a member of the Audit & Risk Committee			
3.5	Ordinary resolution number 10: To approve the appointment of Mr Nicolaas AS Kruger as a member of the Audit & Risk Committee			
4.1	Ordinary resolution number 11: To re-appoint PricewaterhouseCoopers Inc. as auditor			
5.1	Ordinary resolution number 12: Non-binding endorsement of Afrimat’s remuneration policy			
6.1	Ordinary resolution number 13: Non-binding endorsement of Afrimat’s implementation report on the remuneration policy			
7.1	Ordinary resolution number 14: To authorise the directors or the Company Secretary to sign documentation			
8.1	Ordinary resolution number 15: To place unissued shares under the directors’ control			
8.2	Ordinary resolution number 16: General authority to issue ordinary shares for cash			
9.1	Ordinary resolution number 17: Approval of the amendment of the Afrimat Limited Share Appreciation Right Scheme			
10.1	Special resolution number 1: Remuneration of Chairman of the Board			
10.2	Special resolution number 2: Remuneration of non-executive directors			
10.3	Special resolution number 3: Remuneration of Chairman of the Audit & Risk Committee			
10.4	Special resolution number 4: Remuneration of Audit & Risk Committee members			
10.5	Special resolution number 5: Remuneration of Chairman of the Remuneration Committee			
10.6	Special resolution number 6: Remuneration of Chairman of the Nominations Committee			
10.7	Special resolution number 7: Remuneration of Remuneration & Nominations Committee members			
10.8	Special resolution number 8: Remuneration of Chairman of the Social, Ethics & Sustainability Committee			
10.9	Special resolution number 9: Remuneration of Social, Ethics & Sustainability Committee members			
10.10	Special resolution number 10: Remuneration of Chairman of the Investment Review Committee			
10.11	Special resolution number 11: Remuneration of Investment Review Committee members			
10.12	Special resolution number 12: Ad hoc remuneration of members of the Board under rare circumstances			
11.1	Special resolution number 13: Inter-company financial assistance			
11.2	Special resolution number 14: Financial assistance for the subscription and/or purchase of shares in the Company or a related or inter-related company			
12.1	Special resolution number 15: Share repurchases by Afrimat Group and its subsidiaries			

* Please indicate your voting instruction by inserting the number of shares (or a cross should you wish to vote all of your shares) in the space provided.

Signed at (place)	on date	2023
Shareholder’s signature	assisted by (if applicable) (state capacity and full name)	

Notes to the form of proxy

1. An Afrimat shareholder 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 Chairman of the AGM'. The person whose name appears first on the form of proxy and who is participating in the AGM will be entitled to act as proxy to the exclusion of those whose names follow.
2. An Afrimat shareholder's instructions to the proxy must be indicated by the insertion of the relevant number of shares to be voted on behalf of that shareholder in the appropriate box provided or by insertion of a cross if all shares should be voted on behalf of that shareholder. Failure to comply with the above will be deemed to authorise the Chairman of the AGM, if he/she is the authorised proxy, to vote in favour of the resolutions at the AGM, or any other proxy to vote or to abstain from voting at the AGM as he/she deems fit, in respect of all the shares concerned. A shareholder or his/her proxy is not obliged to use all the votes exercisable by the shareholder or his/her proxy, but the total of the votes cast and in respect whereof abstentions are recorded may not exceed the total of the votes exercisable by the shareholder or his/her proxy.
3. When there are joint registered holders of any shares, any one of such persons may vote at the AGM in respect of such shares as if he/she was solely entitled thereto, but, if more than one of such joint holders be present or represented at any AGM, that one of the said persons whose name stands first in the register in respect of such shares or his/her proxy, as the case may be, shall alone be entitled to vote in respect thereof. Several executors or administrators of a deceased shareholder, in whose name any shares stand, shall be deemed joint holders thereof.
4. Proxy forms, together with proof of identification and authority to do so (when acting in a representative capacity), should be lodged with the transfer secretaries of the Company, Computershare Investor Services Proprietary Limited, at Rosebank Towers, 15 Biermann Avenue, Rosebank, 2196, or posted to the transfer secretaries at Private Bag X9000, Saxonwold, 2132, South Africa (please note that postal delivery by the due date is at the risk of the shareholder), or emailed to proxy@computershare.co.za to be received, by them not later than Monday, 31 July 2023 at 14:00, provided that any form of proxy not delivered to the transfer secretaries by this time may be submitted to the transfer secretaries via email at proxy@computershare.co.za any time before the appointed proxy exercises any shareholder rights at the AGM, subject to the transfer secretaries verifying the form of proxy and proof of identification before any shareholder rights are exercised.
5. Any alteration or correction made to this form of proxy must be initialled by the signatory(ies).
6. Documentary evidence establishing the authority of a person signing this form of proxy in a representative capacity must be attached to this form of proxy, unless previously recorded by the Company's transfer secretaries or waived by the Chairman of the AGM.
7. The completion and lodging of this form of proxy will not preclude the relevant shareholder from participating the AGM and speaking and voting thereat to the exclusion of any proxy appointed in terms hereof, should such shareholder wish to do so.
8. The Chairman of the AGM may reject or accept a form of proxy which is completed and/or received, otherwise than in accordance with these notes, if the Chairman is satisfied as to the manner in which the shareholder wishes to vote.
9. A minor must be assisted by his/her parent/guardian unless the relevant documents establishing his/her legal capacity are produced or have been registered by the Company's transfer secretaries.