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Execution version

IMPLEMENTATION AGREEMENT

entered into between

BELL EQUIPMENT LIMITED

Registration number 1968/013656/06

and

IA BELL AND COMPANY PROPRIETARY LIMITED

Registration number 1964/005775/07

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IT IS AGREED AS FOLLOWS:

1. DEFINITIONS AND INTERPRETATION

1.1. Definitions

For the purposes of this Agreement, unless the context requires otherwise, the following words and expressions shall bear the following meanings, and cognate words and expressions shall bear corresponding meanings:

- 1.1.1. “**AFSA**” means the Arbitration Foundation of Southern Africa (or its successor);
- 1.1.2. “**Agreement**” means this implementation agreement, as amended from time to time, including its Schedules;
- 1.1.3. “**Agreement Conditions Precedent**” means the conditions precedent to this Agreement set out in clause 4, and “**Agreement Condition Precedent**” means any one of them as the context may require;
- 1.1.4. “**Appraisal Rights**” means the rights afforded to Bell Equipment Shareholders in terms of Section 164 of the Companies Act, which are exercisable only in respect of the Scheme;
- 1.1.5. “**Approvals**” means approvals, authorisations, consents, exemptions, filings, licences, registrations and the like;
- 1.1.6. “**Arbitrators**” has the meaning ascribed to it in clause 23.20.1;
- 1.1.7. “**Bell Equipment**” means Bell Equipment Limited (registration number 1968/013656/06), a public company incorporated under the laws of South Africa and listed on the main board of the JSE;
- 1.1.8. “**Bell Equipment Board**” or “**Bell Equipment Directors**” means the full board of directors of Bell Equipment, as constituted from time to time;
- 1.1.9. “**Bell Equipment General Meeting**” means a general meeting of Bell Equipment Shareholders to consider and, if deemed fit, approve *inter alia* the Scheme Resolution, with or without modification, including any reconvened general meetings held as a result of the adjournment of that general meeting;
- 1.1.10. “**Bell Equipment Group**” means Bell Equipment, the other Members of its Group and each other entity Controlled from time to time by Member(s) of the Bell Equipment Group;

- 1.1.11. **“Bell Equipment Independent Board”** means collectively, Hendrik Roux van der Merwe, Derek Hamilton Lawrance, Rajendran Naidu, Mamokete Emily Ramathe, Ushadevi Maharaj and Markus Geyer, being those Bell Equipment Directors who have been appointed as the independent board in relation to the Scheme, for purposes of the Companies Act and the Companies Regulations;
- 1.1.12. **“Bell Equipment Ordinary Share”** means an ordinary share in the issued share capital of Bell Equipment;
- 1.1.13. **“Bell Equipment Securities Register”** means the securities register of Bell Equipment from time to time (including the relevant sub-registers of the CSDPs administering the sub-registers of Bell Equipment);
- 1.1.14. **“Bell Equipment Shareholder”** means a Holder of one or more Bell Equipment Ordinary Shares;
- 1.1.15. **“Beneficially Owned”** in relation to a share, means having a “beneficial interest” (as defined in Section 1 of the Companies Act) in that share;
- 1.1.16. **“Business Day”** means any Day which is not a Saturday, Sunday or statutory public holiday in South Africa;
- 1.1.17. **“Circular”** means the scheme circular to be sent jointly by Bell Equipment and IAB to Bell Equipment Shareholders regarding the Scheme and the Delisting and incorporating, *inter alia*:
- 1.1.17.1. the terms of the IAB Offer;
 - 1.1.17.2. a report prepared by the Independent Expert in terms of the Companies Act;
 - 1.1.17.3. the opinion and the recommendations of the Bell Equipment Independent Board;
 - 1.1.17.4. in respect of the Bell Equipment General Meeting -
 - 1.1.17.4.1. the notice of the Bell Equipment General Meeting;
 - 1.1.17.4.2. a form of proxy for the Bell Equipment General Meeting;
 - 1.1.17.4.3. a form of surrender and transfer; and

- 1.1.17.4.4. extracts of (i) Sections 114 and 115 of the Companies Act dealing with the approval requirements for fundamental transactions and (ii) Section 164 of the Companies Act dealing with dissenting shareholders' appraisal rights;
- 1.1.18. **"Companies Act"** means the Companies Act No. 71 of 2008;
- 1.1.19. **"Companies Regulations"** means the Companies Regulations, 2011, being Regulations promulgated pursuant to the Companies Act;
- 1.1.20. **"Control"** bears the meaning ascribed to it in Section 2(2) of the Companies Act and **"Controlled"** shall have a corresponding meaning;
- 1.1.21. **"Court"** has the meaning ascribed to it in clause 10.2.1.6.1;
- 1.1.22. **"CSDP"** means a "*participant*" as defined in Section 1(1) of the Financial Markets Act;
- 1.1.23. **"Day"** means any calendar day;
- 1.1.24. **"Delisting"** means the termination of the listing of all Bell Equipment Ordinary Shares from the main board of the JSE if the Scheme becomes Operative, pursuant to the removal of the Bell Equipment Ordinary Shares from the main board of the JSE in accordance with paragraph 1.17(b) of the JSE Listings Requirements;
- 1.1.25. **"Dissenting Shareholders"** means Bell Equipment Shareholders (if any) who validly exercise their Appraisal Rights by giving written notice to Bell Equipment objecting in advance to the Scheme Resolution, voting against the Scheme Resolution and demanding, in terms of Sections 164(5) and 164(8) of the Companies Act, that Bell Equipment pay to them the fair value of their Bell Equipment Ordinary Shares;
- 1.1.26. **"Eligible Bell Equipment Shareholders"** means Bell Equipment Shareholders other than the Excluded Shareholders and IAB;
- 1.1.27. **"Exchange Control Regulations"** means the Exchange Control Regulations, 1961 made in terms of the Currency and Exchanges Act No. 9 of 1933, and all directives and rulings issued thereunder;
- 1.1.28. **"Excluded Shareholders"** includes the persons defined as such in clause 9.4 and the holder of the Treasury Shares;

- 1.1.29. “**Excluded Shares**” means all Bell Equipment Ordinary Shares held by the Excluded Shareholders and IAB;
- 1.1.30. “**Financial Markets Act**” means the Financial Markets Act No. 19 of 2012;
- 1.1.31. “**FinSurv**” means: (i) the Financial Surveillance Department of the South African Reserve Bank responsible for the administration of exchange controls under the Exchange Control Regulations; and (ii) authorised dealers to the extent those dealers are authorised by law to make decisions or grant Approvals in relation to exchange control matters;
- 1.1.32. “**Firm Intention Announcement**” means the joint firm intention announcement of the IAB Offer, to be published after fulfilment, or if applicable waiver, of the last of the Agreement Conditions Precedent, in accordance with the Takeover Regulations in the final agreed form attached as **Schedule 1**;
- 1.1.33. “**First Long Stop Date**” means 31 August 2024, subject to the provisions of clause 10.2.1;
- 1.1.34. “**Group**” in relation to any company, means that company and its subsidiaries from time to time;
- 1.1.35. “**Holder**” of a Bell Equipment share, means a person reflected as the registered holder of that share or other security in Bell Equipment’s Securities Register, and “**Holds**”, “**Held**” and “ **Holding**” bear corresponding meanings;
- 1.1.36. “**IAB Offer**” means the offer made by IAB to acquire the Scheme Shares pursuant to the Scheme;
- 1.1.37. “**IAB**” means IA Bell Proprietary Limited (registration number 1964/005775/07), a private company incorporated under the laws of South Africa;
- 1.1.38. “**Independent Expert**” means the independent expert as described in Section 114(2) of the Companies Act and to be appointed in terms of Companies Regulation 110(1);
- 1.1.39. “**JSE**” means JSE Limited (registration number 2005/022939/06), a public company incorporated under the laws of South Africa licensed under the Financial Markets Act, or the securities exchange licensed under the Financial Markets Act and operated by JSE Limited, as the context may require;
- 1.1.40. “**JSE Listings Requirements**” means the listings requirements issued by the JSE, as amended or varied from time to time;

- 1.1.41. **"Member"** of a Group is a company which forms part of that Group;
- 1.1.42. **"Operative"** in relation to the Scheme, means all the Scheme Conditions are fulfilled or, where applicable, waived;
- 1.1.43. **"Parties"** means IAB and Bell Equipment, and **"Party"** means one of them, as the context may require;
- 1.1.44. **"Reasonable Endeavours"** means endeavours that are in the circumstances, reasonable, measured from a commercial standpoint and taking into account all relevant factors but without any obligation to:
- 1.1.44.1. incur undue cost, liability or expense (whether actual, conditional or contingent) having regard to one's own economic interests; or
- 1.1.44.2. deviate from, or agree to any amendment to, or act contrary to, any law or the terms and conditions of this Agreement and any other binding obligations;
- 1.1.45. **"Related"** shall have the meaning ascribed thereto in the Companies Act;
- 1.1.46. **"Related Party"** means:
- 1.1.46.1. a person (including a juristic person) Related to IAB;
- 1.1.46.2. the Excluded Shareholders;
- 1.1.46.3. any spouse or descendant of an Excluded Shareholder;
- 1.1.46.4. any company Controlled by one or more of the Excluded Shareholders;
- 1.1.46.5. a trust established for the benefit of any Excluded Shareholder or his/her immediate family; and/or
- 1.1.46.6. any heir of a deceased Excluded Shareholder;
- 1.1.47. **"Scheme"** means
- 1.1.47.1. the scheme of arrangement in terms of Section 114(1) of the Companies Act, proposed by the Bell Equipment Board between Bell Equipment and the Eligible Bell Equipment Shareholders, in terms of which IAB will, if the Scheme becomes Operative, on the Scheme Implementation Date acquire all of the Scheme Shares, subject to (i)

any amendment or variation, as contemplated in clause 11 and (ii) the Dissenting Shareholders' Appraisal Rights (if applicable); and

1.1.47.2. the Delisting following the implementation of the Scheme, contemplated by clause 1.1.24;

- 1.1.48. **"Scheme Conditions"** means the conditions precedent to the Scheme set out in clause 10.2;
- 1.1.49. **"Scheme Consideration"** means the consideration payable in cash in Rand for each Scheme Share, being an amount of ZAR53.00 (fifty three Rand);
- 1.1.50. **"Scheme Consideration Record Date"** means the date for Scheme Participants to be recorded as such in the Bell Equipment Securities Register in order to be eligible to receive the Scheme Consideration;
- 1.1.51. **"Scheme Finalisation Date"** means the date on which the "finalisation date announcement" (as contemplated by the JSE Listings Requirements) is to be published on SENS, after all the Scheme Conditions are fulfilled or, if applicable, waived;
- 1.1.52. **"Scheme Implementation Date"** means the date on which the Scheme is to be implemented, being the Monday immediately following the Scheme Consideration Record Date (or such other date as the JSE may direct);
- 1.1.53. **"Scheme Last Day to Trade"** means the last day to trade in Bell Equipment Ordinary Shares on the JSE, being the third trading day prior to the Scheme Consideration Record Date;
- 1.1.54. **"Scheme Participants"** means all persons who are recorded in the Bell Equipment Securities Register on the Scheme Consideration Record Date, excluding: (i) the Excluded Shareholders and IAB; and (ii) Dissenting Shareholders who have not, whether voluntarily or pursuant to a final order of the Court, withdrawn their demands made in terms of Sections 164(5) to 164(8) of the Companies Act, or allowed any offers made to them in terms of Section 164(11) of the Companies Act to lapse;
- 1.1.55. **"Scheme Resolution"** means the special resolution, in accordance with Section 114(1)(c) and Section 115(2)(a) of the Companies Act, to be proposed to Eligible Bell Equipment Shareholders at the Bell Equipment General Meeting seeking their approval of the Scheme, details of which will be contained in the notice convening the Bell Equipment General Meeting;

- 1.1.56. “**Scheme Shares**” means in relation to the Scheme, the Bell Equipment Ordinary Shares held by the Eligible Bell Equipment Shareholders on the Scheme Record Date;
- 1.1.57. “**Second Long Stop Date**” means 15 November 2024, subject to the provisions of clause 10.2.1;
- 1.1.58. “**SENS**” means the Stock Exchange News Service of the JSE;
- 1.1.59. “**Signature Date**” means the date on which this Agreement is signed by the later of the Parties to sign it;
- 1.1.60. “**Superior Proposal**” shall mean a *bona fide* written alternative offer received by Bell Equipment from an unsolicited third party that would in the opinion of the Bell Equipment Independent Board, if implemented in accordance with its terms, result in a transaction more favourable to the Eligible Bell Equipment Shareholders than the IAB Offer;
- 1.1.61. “**Takeover Regulations**” means the Takeover Regulations prescribed from time to time by the Minister of Trade and Industry in terms of Section 120 of the Companies Act;
- 1.1.62. “**Timetable**” means the proposed timetable in **Schedule 2**;
- 1.1.63. “**Transfer Secretaries**” means JSE Investor Services Proprietary Limited (registration number 2000/007239/07), a private company incorporated under the laws of South Africa;
- 1.1.64. “**Treasury Shares**” means 32 233 (thirty two thousand two hundred and thirty three) Bell Equipment Ordinary Shares held by Bell Equipment Group Services Proprietary Limited, a wholly owned subsidiary of Bell Equipment;
- 1.1.65. “**TRP**” means the Takeover Regulation Panel established by Section 196 of the Companies Act;
- 1.1.66. “**TRP Guarantee**” shall have the meaning ascribed thereto in clause 7; and
- 1.1.67. “**ZAR**” and “**Rand**” means the lawful currency of South Africa.

1.2. Interpretation

- 1.2.1. The following shall apply in this Agreement, unless the context clearly provides otherwise:
- 1.2.1.1. headings are to be ignored in construing this Agreement;
 - 1.2.1.2. references to a clause or Schedule are to a clause of, or schedule to, this Agreement;
 - 1.2.1.3. references to one gender include all genders and references to the singular include the plural and *vice versa*;
 - 1.2.1.4. any reference to a time of day is a reference to South African Standard Time, on the basis of a 24-hour clock (00:00 to 24:00), unless a contrary indication appears;
 - 1.2.1.5. a reference to any statute or statutory provision shall be construed as a reference to the same as it may have been, or may from time to time be, amended, modified, replaced or re-enacted;
 - 1.2.1.6. a reference to any other document referred to in this Agreement is a reference to that other document as it may have been, or may from time to time be, amended, revised, varied, novated or supplemented;
 - 1.2.1.7. where any number of Business Days is prescribed, those Days shall be reckoned exclusively of the first and inclusively of the last Business Day;
 - 1.2.1.8. where any number of Days other than Business Days is prescribed, those Days shall be reckoned exclusively of the first and inclusively of the last Day unless the last Day falls on a Day which is not a Business Day, in which event the last Day shall be the next succeeding Business Day;
 - 1.2.1.9. capitalised terms shall bear a corresponding meaning to capitalised definitions, and non-capitalised terms shall not bear the corresponding meaning to capitalised definitions;
 - 1.2.1.10. the use of any expression covering a process available under South African law shall, if any of the Parties is subject to the laws of any other jurisdiction, be interpreted as including any equivalent or analogous proceeding under the law of such other jurisdiction;

- 1.2.1.11. any reference to the term “signature” will include an “electronic signature”, as such term is defined in Section 1 of the Electronic Communications and Transactions Act, No. 25 of 2002 and “sign” shall have a corresponding meaning; and
- 1.2.1.12. the words **will** and **shall** bear the same meaning i.e. a prescriptive requirement.
- 1.2.2. A Scheme Condition **Fails** if it is not fulfilled by the latest date allowed for its fulfilment, and, if it is capable of being waived, it is also not waived by that latest date.
- 1.2.3. The use of the word **including, include/s, in particular** or any similar such word followed by a specific example/s shall not be construed as limiting the meaning of the general wording preceding it and the *eiusdem generis* rule shall not be applied in the interpretation of such general wording or such specific example/s.
- 1.2.4. No rule of construction shall be applied to the disadvantage of a Party to this Agreement because that Party was responsible for or participated in the preparation of this Agreement or any part of it.

2. INTRODUCTION

- 2.1. IAB holds c.70.13% (seventy point one three per cent) of the issued ordinary share capital of Bell Equipment, excluding the Treasury Shares.
- 2.2. On or about 24 April 2024, IAB sent a letter to the Bell Equipment Board, recording a non-binding interest to acquire the outstanding issued shares of Bell Equipment not already owned by IAB and excluding the Excluded Shares. Only upon fulfilment of the Agreement Conditions Precedent, IAB will be deemed to have made a "firm intention offer" as contemplated by the Companies Act and the Companies Regulations.
- 2.3. This Agreement regulates the acquisition by IAB of the Scheme Shares by way of
 - 2.3.1. a scheme of arrangement in terms of Section 114 of the Companies Act and applicable Takeover Regulations; and
 - 2.3.2. the termination of the listing of all Bell Equipment Ordinary Shares on the JSE pursuant to the Delisting.
- 2.4. Once this Agreement becomes unconditional and the "firm intention offer" has accordingly been deemed to have been made:

- 2.4.1. the Firm Intention Announcement will be published; and
- 2.4.2. if the Scheme becomes Operative it will be implemented.

3. **THE "FIRM INTENTION OFFER" AND THE STATUS OF THIS AGREEMENT**

- 3.1. Upon the Agreement Conditions Precedent being fulfilled, or where capable, waived, IAB shall *ipso facto* be deemed to have made a "firm intention offer" on the terms set out herein, save where any particular term, in its context, is clearly not applicable to the IAB Offer.
- 3.2. Accordingly this Agreement both:
 - 3.2.1. regulates the respective rights and obligations of the Parties in relation to the IAB Offer; and
 - 3.2.2. upon fulfilment or waiver, if capable, of the last of the Agreement Conditions Precedent, will constitute a "firm intention to make an offer".

4. **AGREEMENT CONDITIONS PRECEDENT**

- 4.1. This Agreement, save for the provisions of clauses 1, 2 and 3, this clause 4, clause 5 and clauses, 20, 21 and 23 (the "**Surviving Clauses**"), which shall be of immediate force and effect, is subject to the fulfilment (or waiver, as the case may be) of the following conditions precedent, namely that:
 - 4.1.1. the Bell Equipment Independent Board and IAB approve the Firm Intention Announcement, which approval shall not be unreasonably withheld or delayed by either of them;
 - 4.1.2. by no later than Friday, 12 July 2024 (or such later date as may be agreed by IAB and the Bell Equipment Independent Board) the TRP having –
 - 4.1.2.1. approved the Firm Intention Announcement; and
 - 4.1.2.2. approved the terms of the TRP Guarantee to be provided by IAB as security for the payment of the Scheme Consideration and the TRP Guarantee having been issued and delivered to the TRP.
- 4.2. The Agreement Conditions Precedent are not capable of waiver or adjustment.
- 4.3. Forthwith after the Signature Date, each of the Parties shall use their Reasonable Endeavours to procure the fulfilment of each of the Agreement Conditions Precedent, to the extent that it is within their power to do so, as soon as is reasonably possible after the Signature Date, at their respective cost.

- 4.4. Should the Agreement Conditions Precedent not be fulfilled on or before the stipulated date for their fulfilment, then the Surviving Clauses shall continue to be of force and effect but the remainder of this Agreement shall never become effective.
- 4.5. No Party shall have any liability towards any other Party in the event of this Agreement not being implemented as a result of the failure of any Agreement Condition Precedent, save where such failure is as a result of the breach of the provisions of clause 4.3.

5. **RESOLUTIONS**

On the Signature Date:

- 5.1. Bell Equipment shall deliver to IAB a copy of a resolution passed by the Bell Equipment Board in which it resolves that Bell Equipment enter into and implement this Agreement in accordance with its terms; and
- 5.2. IAB shall deliver to Bell Equipment a copy of a resolution passed by IAB's board of directors in which it resolves that IAB enter into and implement this Agreement in accordance with its terms.

6. **FIRM INTENTION ANNOUNCEMENT**

Subject to approval by the TRP, Bell Equipment shall procure the release of the Firm Intention Announcement on SENS not later than 24 (twenty four) hours following this Agreement becoming unconditional, or by such other time and date as may be agreed in writing by the Parties and approved by the TRP.

7. **TRP GUARANTEE(S)**

IAB shall timeously furnish the TRP with an irrevocable unconditional bank guarantee, in the form approved by the TRP, in accordance with Regulations 111(4)(a) and 111(5) of the Companies Regulations for an amount of ZAR762 519 639 (seven hundred and sixty two million five hundred and nineteen thousand six hundred and thirty nine Rand) in relation to the Scheme Consideration (the "**TRP Guarantee**").

8. **UNDERTAKINGS IN RELATION TO THE IAB OFFER**

- 8.1. Each Party shall implement the IAB Offer in accordance with the terms and conditions of this Agreement.
- 8.2. Each Party shall use its Reasonable Endeavours to implement the Scheme in a timely manner in accordance with the Timetable and shall communicate any delays to each other timeously,

and factor any such delays into the implementation of the Scheme and a new timeline (if required) on an ongoing basis.

- 8.3. If, by reason of law, any step forming part of the IAB Offer is not achievable, each Party shall use its Reasonable Endeavours to identify, agree upon and implement replacement steps which: (i) to the extent permissible by law, have the same, or substantially the same, effect as the step that could not be achieved; and (ii) do not alter the economic effect of the IAB Offer insofar as each Party and the Eligible Bell Equipment Shareholders are concerned.

9. **OUTLINE OF THE SCHEME**

9.1. **General**

The terms and conditions of the Scheme shall be those set out in this Agreement, and such other terms and conditions as would be usual in schemes of this nature and agreed by the Parties in writing.

9.2. **The Scheme**

9.2.1. Bell Equipment will propose the Scheme. The Scheme will be subject to the fulfilment or, where applicable, adjustment or waiver of the Scheme Conditions.

9.2.2. Each Party shall be bound by and comply with the terms and Scheme Conditions insofar as they relate to it.

9.2.3. The terms and Scheme Conditions has been set out in so far as is necessary in the Firm Intention Announcement and shall be set out in full in the Circular. These terms and Scheme Conditions shall reflect, and be consistent with, the terms and Scheme Conditions set out in this Agreement.

9.3. **The Scheme Becoming Operative and Payment of the Scheme Consideration**

9.3.1. If the Scheme becomes Operative, IAB will be deemed to have acquired all of the Scheme Shares and will pay to the Scheme Participants the Scheme Consideration.

9.3.2. The Scheme Consideration shall be settled in full, in accordance with the terms of the Scheme, without regard to any lien, right of set-off, counterclaim or other analogous right to which IAB may otherwise be, or claim to be, entitled against a Scheme Participant.

9.3.3. Details regarding the settlement of the Scheme Consideration will be provided for in the Circular.

9.3.4. Prior to the Scheme Implementation Date, IAB shall place Bell Equipment or Bell Equipment's agents in a position to enable them to settle the aggregate Scheme Consideration.

9.4. **Excluded Shareholders**

9.4.1. Bell Equipment has been advised by IAB that there are Bell Equipment Shareholders who are related to the founding family of Bell Equipment, and some third parties, holding or controlling between them, as at the Signature Date, 14 169 896 (fourteen million one hundred and sixty nine thousand eight hundred and ninety six) Bell Equipment Ordinary Shares representing 14,82% (fourteen point eight two per cent) of the total issued share capital of Bell Equipment, who will be excluded from the Scheme and who will thus retain their Bell Equipment Ordinary Shares (the "**Excluded Shareholders**").

9.4.2. These Excluded Shareholders have agreed to be and the TRP has (to the extent required) approved them being, excluded from the Scheme . As at the Signature Date the Excluded Shareholders are:

Shareholder	Bell Equipment Shares Held (whether directly or through a nominee)
Bell, Gary William (Non-Executive Chairman of the Board)	253 600
Bell, Quentin Irvine	29 500
Bell, Mark Owen	29 259
Buttery, Rosalie Grace	27 300
Bell, Larissa	25 000
Bell, Ricky Louise	23 400
Buttery, Guy Luke	5 400
Bell, Ashley Jon (chief executive)	2 598
Bell, Jessica May	2 821
Bell, Melissa	301
Bell, Kelvin Charles	100
Peregrine Capital (Pty) Ltd	4,781,899
Zenithar (Pty) Ltd	4 516 347
Peresec Prime Brokers (Pty) Ltd	4 472 371
Total	14 169 896

10. **SALIENT TERMS AND CONDITIONS OF THE SCHEME**

10.1. **Scheme**

10.1.1. The Bell Equipment Board will propose the Scheme between Bell Equipment and the Scheme Participants subject to the Agreement Conditions Precedent and the Scheme Conditions having been fulfilled or, if capable, waived.

- 10.1.2. If the Scheme Conditions are timeously fulfilled or, where applicable, waived, and the Scheme thus becomes Operative, the Scheme will be implemented on the Scheme Implementation Date. On and with effect from the Scheme Implementation Date IAB shall be deemed to have acquired all the Scheme Shares. On the Scheme Implementation Date IAB shall settle the Scheme Consideration and accordingly on that date each Scheme Participant shall receive the Scheme Consideration.
- 10.1.3. Notwithstanding any other provision of this Agreement, nothing herein contained shall prevent or limit IAB from improving the terms of the Scheme, including by increasing the Scheme Consideration in accordance with the Companies Act and the Companies Regulations upon written notice to Bell Equipment, in which event, subject to the remaining provisions of this Agreement, the Parties shall take all such steps as are reasonably necessary to implement any revised or amended proposal, subject to the increase of the TRP Guarantee to allow for the increased Scheme Consideration, if applicable.

10.2. **Scheme Conditions**

- 10.2.1. The Scheme and the implementation thereof will be subject to the fulfilment or, where applicable, waiver or adjustment of each of the following conditions precedent:
- 10.2.1.1. the Independent Expert has issued an opinion confirming the terms of the Scheme and the Scheme Consideration as being fair and reasonable;
- 10.2.1.2. having regard to the fairness opinion contemplated in clause 10.2.1.1, the Bell Equipment Independent Board has resolved that it is of the opinion that the Scheme Consideration is fair and reasonable and has resolved to recommend to Bell Equipment Shareholders that they vote in favour of the Scheme Resolution;
- 10.2.1.3. the Circular has been approved by the JSE and the TRP;
- 10.2.1.4. to the extent that any agreement between Bell Equipment and any of its funders contains any cancellation or other rights in favour of the relevant funder which will be triggered by the implementation of the IAB Offer and/or the Delisting without the approval of the funder concerned, the relevant funder(s) providing such approval;

10.2.1.5. as at the date on which the last of the Scheme Conditions set out in clauses 10.2.1.1 to 10.2.1.4 has been fulfilled or, where waiver or adjustment is permitted, waived, there has, in IAB's reasonable opinion, since the Signature Date been no event which:

10.2.1.5.1. has resulted or will reasonably result in any cost, loss, damage, charge and/or expense to Bell Equipment exceeding an amount of ZAR 80 000 000 (eighty million Rand); or

10.2.1.5.2. is reasonably likely to result in the earnings before interest, taxation, depreciation and amortisation ("**EBITDA**") of Bell Equipment as will be indicated in the consolidated audited annual financial statements for the period ending December 2024, being less than the EBITDA for the preceding financial year (ended December 2023) by 14% (fourteen per cent) or more; or

provided that the Scheme Condition in this clause 10.2.1.5 shall be deemed to have been fulfilled, notwithstanding that an event as contemplated in clause 10.2.1.5.1 or 10.2.1.5.2 has occurred, if (1) IAB or any of its directors were, as at the Signature Date, aware of such event or the likelihood of it occurring following due and careful enquiry or (2) such event occurred in the ordinary course of business; or (3) provision was made in the consolidated audited annual financial statements for the period ended December 2023, for such event and its consequences, whether provisional or not. If Bell Equipment disputes IAB's opinion that an event in clause 10.2.1.5.1 has occurred or if IAB disputes that the circumstances in (1), (2) or (3) immediately above is/are present, if applicable, (the "**Dispute**"), then:

10.2.1.5.3. it shall be obliged, within 5 (five) Business Days of being notified of IAB's opinion or dispute, to refer the matter to the auditors of Bell Equipment (the "**Expert**") for determination in terms of this clause 10.2.1.5;

- 10.2.1.5.4. if no notice of referral is timeously given the Scheme Condition in clause 10.2.1.5 shall be deemed not to have been fulfilled;
 - 10.2.1.5.5. the Expert shall act as an expert and not as an arbitrator. The Expert will determine his/her own rules of procedure and will resolve the Dispute as informally and as quickly as possible; and
 - 10.2.1.5.6. save in the event of manifest error, the Expert's decision shall be binding on the Parties.
- 10.2.1.6. the Scheme is approved by the requisite majority of Eligible Bell Equipment Shareholders, as contemplated by Section 115(2) of the Companies Act, and in the event of the provisions of Section 115(2)(c) of the Companies Act becoming applicable;
- 10.2.1.6.1. the High Court of South Africa (the "**Court**") approves the implementation of the relevant resolution; and
 - 10.2.1.6.2. if applicable, Bell Equipment not treating the aforesaid resolution as a nullity, as contemplated in Section 115(5)(b) of the Companies Act;
- 10.2.1.7. Eligible Bell Equipment Shareholders holding no more than 5% (five per cent) (or such higher percentage as agreed in writing between IAB and Bell Equipment) of the total number of Scheme Shares exercise their appraisal rights ("**Appraisal Rights**") by:
- 10.2.1.7.1. delivering notice objecting, as contemplated in Section 164(3) of the Companies Act, to the special resolution to be proposed in accordance with Section 114(1)(c) and Section 115(2)(a) of the Companies Act to Eligible Bell Equipment Shareholders at the Bell Equipment General Meeting seeking their approval of, *inter alia*, the Scheme, details of which will be contained in the notice of the Bell Equipment General Meeting;
 - 10.2.1.7.2. voting against the Scheme Resolution; and

- 10.2.1.7.3. delivering a valid demand, as contemplated in Sections 164(5) to 164(8) of the Companies Act, within the time period prescribed in Section 164(3) and (7) of the Companies Act;
 - 10.2.1.8. the regulatory Approvals required to implement the Scheme having been obtained, namely:
 - 10.2.1.8.1. FinSurv grants such Approvals with respect to the Scheme as are required in terms of the South African Exchange Control Regulations (promulgated in terms of the South African Currency and Exchanges Act No. 9 of 1933) to implement the Scheme either unconditionally, or subject to conditions acceptable to IAB; and
 - 10.2.1.8.2. the JSE grants such Approvals as are required in terms of the JSE Listings Requirements with respect to the Scheme; and
 - 10.2.1.9. prior to the fulfilment or where applicable waiver of the last of the Scheme Conditions in clauses 10.2.1.1 to 10.2.1.8, the Bell Equipment Independent Board has not withdrawn, modified or qualified its recommendation that Bell Equipment Shareholders (who are entitled to vote on the Scheme Resolution) vote in favour of the Scheme Resolution and/or withdrawn, modified or qualified its opinion that the Scheme Consideration is fair and reasonable to Bell Equipment Shareholders.
- 10.2.2. In the event of the circumstances in Section 115(3)(a) becoming potentially applicable by reason of at least 15% (fifteen per cent) of Scheme Participants having voted against the Scheme Resolution, Bell Equipment shall not be obliged to bring an application to Court as contemplated in Section 115(5)(a) unless IAB, within 1 (one) Business Day of any Scheme Participant who voted against the Scheme Resolution requiring Bell Equipment to seek Court approval as contemplated in Section 115(5)(a) (or such later date as agreed in writing by the Bell Equipment Board) - (a) confirms in writing to the Bell Equipment Board that IAB agrees to an extension of the Second Long Stop Date to no earlier than 15 December 2024 (or such other date as may be agreed in writing by the Bell Equipment Board); and (b) delivers to the TRP a new TRP Guarantee for the extended period as security for the payment of the Scheme Consideration, the

TRP Guarantee having been issued and delivered to the TRP and the TRP approved the new TRP Guarantee, in which case the Board shall be entitled to waive one or more of the foregoing requirements in its discretion and be entitled, at its election, to declare the Scheme Resolution a nullity. The Board shall in the circumstances be entitled to state the reason for the non-extension of the Second Long Stop Date and declaration of the nullity, as a lack of extension of the Second Long Stop Date.

- 10.2.3. Save as otherwise provided in this Agreement, each Party shall use its Reasonable Endeavours to procure the fulfilment or, where applicable, waiver or adjustment of the Scheme Conditions as soon as reasonably practicable.
- 10.2.1. The Scheme Conditions in clauses 10.2.1.1 to 10.2.1.5 must be fulfilled or, where waiver or adjustment is permitted, waived or adjusted by no later than the First Long Stop Date and the Scheme Conditions in clauses 10.2.1.6 to 10.2.1.9 must be fulfilled or, where waiver or adjustment is permitted, waived or adjusted by no later than the Second Long Stop Date. Bell Equipment and IAB shall be entitled to extend the First Long Stop Date and/or the Second Long Stop Date by written agreement and subject to TRP approval insofar as necessary. If the First Long Stop Date or the Second Long Stop Date is extended, the amended date will be released on SENS and, if required, published in the South African press.
- 10.2.2. The Scheme Conditions in clauses 10.2.1.1, 10.2.1.3, 10.2.1.6 and 10.2.1.8 are regulatory in nature and cannot be waived.
- 10.2.3. Neither IAB nor Bell Equipment may waive or vary any other Scheme Condition unless that waiver is agreed to in writing by both Bell Equipment and IAB and is permissible in law (or unless specifically provided for in this Agreement).
- 10.2.4. An announcement will be released on SENS and, where required, published in the South African press as soon as possible after the: (i) fulfilment, waiver or adjustment, as the case may be, of all of the Scheme Conditions; or (ii) non-fulfilment of any Scheme Condition.
- 10.2.5. The Scheme will not be implemented unless the TRP has issued the compliance certificate to Bell Equipment with respect to the Scheme in terms of Section 121(b) of the Companies Act.

11. **AMENDMENT, VARIATION OR MODIFICATION OF THE IAB OFFER**

- 11.1. No amendment, variation or modification of the IAB Offer shall be valid unless it is consented to by Bell Equipment and IAB in writing, provided that IAB shall, notwithstanding anything to

the contrary in this Agreement, the Firm Intention Announcement or the Circular, be entitled (without the consent of Bell Equipment) to propose a higher consideration than the Scheme Consideration, subject to the increase of the TRP Guarantee to allow for the increased Scheme Consideration, if applicable.

11.2. Bell Equipment Shareholders will be notified of any changes to the IAB Offer by way of announcement published on SENS and, if required, in the South African press.

12. **REGULATORY NOTIFICATIONS AND APPROVALS**

Each Party shall use its Reasonable Endeavours to obtain, as soon as practicable after the Signature Date, all regulatory inputs, guidance or Approvals that may be required in connection with this Agreement or its implementation.

12.1. **TRP, JSE and FinSurv**

12.1.1. Each Party undertakes to provide the other Party promptly with all assistance and information that is reasonably requested by the other Party in order to obtain the Approvals contemplated in clauses 10.2.1.8.1 and 10.2.1.8.2.

12.1.2. The Parties shall procure that their respective advisors shall jointly co-ordinate their dealings with (including inviting each other on reasonable notice to each meeting (telephonic, in person or otherwise) with) the TRP, FinSurv and the JSE, including:

12.1.2.1. the preparation of all submissions, applications and documents required to be furnished to FinSurv, TRP and the JSE (“**Submissions**”) in order to obtain the Approvals contemplated in clauses 10.2.1.8.1 and 10.2.1.8.2; and

12.1.2.2. the presentation, argument and prosecution of any such Submissions.

13. **PREPARATION OF CIRCULAR**

13.1. The Circular shall give effect to relevant provisions of this Agreement.

13.2. Bell Equipment shall, as soon as reasonably possible following the Signature Date, instruct its transactional sponsor to commence with the preparation of the Circular, on a basis consistent with the terms of this Agreement and on the assumption that the IAB Offer will be pursued. Bell Equipment will procure that drafts and revised drafts of the Circular are submitted to IAB with reasonably sufficient time for review and comment. The transactional sponsor will be

instructed to take into account all comments agreed between the Parties for the purposes of preparing revised drafts.

- 13.3. Each Party shall comply with all applicable laws to which it is subject.
- 13.4. Notwithstanding anything to the contrary in this Agreement but subject to compliance with applicable laws and the JSE Listings Requirements, each Party undertakes to the other that it will not, and undertakes to procure that no Member of its Group will, distribute any circular or notification to Bell Equipment Shareholders relating to the IAB Offer (other than the Firm Intention Announcement and the Circular) without the prior written consent of the other Party, such consent not to be unreasonably withheld or delayed.

14. **POSTING THE CIRCULAR, AND CONVENING THE BELL EQUIPMENT GENERAL MEETING**

- 14.1. Bell Equipment shall post the Circular to Bell Equipment Shareholders in accordance with this Agreement and shall use its Reasonable Endeavours to do so in accordance with the Timetable unless one or more Scheme Conditions had failed before the date of posting.
- 14.2. Bell Equipment shall:
 - 14.2.1. procure the convening and holding of the Bell Equipment General Meeting for the purpose of Bell Equipment Shareholders considering and, if thought fit, voting in favour of the Scheme Resolution and use its Reasonable Endeavours to procure that this happens in accordance with the Timetable;
 - 14.2.2. use its Reasonable Endeavours to ensure that the Bell Equipment General Meeting does not need to be, and is not, adjourned or postponed, other than at the instance or due to the actions of IAB;
 - 14.2.3. if the Bell Equipment General Meeting is adjourned or postponed, reconvene such meeting in accordance with the Companies Act and the Bell Equipment memorandum of incorporation to be held no more than 5 (five) Business Days after the Bell Equipment General Meeting is adjourned or postponed; and
 - 14.2.4. in consultation with IAB, promptly file all necessary documents in relation to the Bell Equipment General Meeting with any person with whom such documents must be filed.

15. **COURT APPROVAL**

Subject to clause 10.2.2, if the Scheme Resolution is approved at the Bell Equipment General Meeting in accordance with the Companies Act and Court approval is required in terms of Section 115(3)(a) or 115(3)(b) of the Companies Act, Bell Equipment will:

- 15.1. not treat the Scheme Resolution as a nullity; and
- 15.2. use its Reasonable Endeavours to ensure that the Scheme is approved by the Court including, if the Scheme Resolution requires the approval of a Court as contemplated in Section 115(3)(a) of the Companies Act, applying to Court for approval within 10 (ten) Business Days after the vote as provided for in Section 115(5) of the Companies Act or, in the circumstances contemplated in Section 115(3)(b) of the Companies Act, opposing an application by a person who voted against the Scheme Resolution.

16. DISSENTING SHAREHOLDERS

If, in relation to the Scheme, any of the circumstances contemplated in Section 164(9)(a) or (b) of the Companies Act occur, then the relevant Dissenting Shareholder shall be treated in accordance with Section 164 of the Companies Act, and the terms of the Circular.

17. IMPLEMENTATION OF THE IAB OFFER

17.1. Subject to the fulfilment or, where applicable, waiver of the Scheme Conditions each Party will take all actions which it is, in terms of the Circular and this Agreement, obliged to take to implement the Scheme on the Scheme Implementation Date in accordance with this Agreement.

17.2. IAB shall be liable:

17.2.1. for any taxes payable in respect of the transfer of the Bell Equipment Ordinary Shares from the holders thereof to IAB pursuant to the Scheme in terms of the South African Securities Transfer Tax Act, No. 25 of 2007; and

17.2.2. for any reasonable and properly incurred costs relating to making the Scheme Consideration available.

18. IAB OFFER SUPPORT UNDERTAKINGS

18.1. Each Party shall perform the obligations required to be performed by it, and shall enter into all agreements required to be entered into by it, to give effect to this Agreement and the IAB Offer, and shall use its Reasonable Endeavours to do and take all such steps as may be reasonably necessary or desirable in order to fulfil the Scheme Conditions and to carry out and give effect to the Scheme , including:

18.1.1. complying with the terms of, and its obligations and undertakings under, this Agreement;

- 18.1.2. signing all documents and providing all necessary information upon being required to do so, and using its Reasonable Endeavours to render all such assistance as may be necessary to procure that all Approvals which are necessary or required to implement the Scheme are properly prepared and duly submitted within the relevant time periods, it being agreed that each Party will bear its own costs of and associated with such applications, filings and/or submissions, but that any filing fee or similar fee or amount payable to any governmental authority in relation to such filing shall be borne by Bell Equipment; and
- 18.1.3. keeping the other Party informed of all material matters related to the Scheme and all submissions, applications and documents required to be furnished to FinSurv, the TRP and the JSE, as soon as reasonably possible after such matters come to the attention of a Party.

18.2. Subject to -

- 18.2.1. clause 18.6;
- 18.2.2. there being no Superior Proposal made before the satisfaction of all of the Scheme Conditions, which Superior Proposal the Bell Equipment Independent Board, subject to clause 22.1.2, intends to recommend to Bell Equipment Shareholders; and/or
- 18.2.3. the termination of this Agreement in terms of clause 20,

with effect from the date of fulfilment (or waiver if capable) of the last of the Agreement Conditions Precedent, Bell Equipment shall perform the obligations required to be performed by it, and shall enter into all agreements required to be entered into by it, to give effect to this Agreement and the IAB Offer, and will use its Reasonable Endeavours to do and take all such steps as may be reasonably necessary or desirable in order to fulfil the Scheme Conditions and to carry out and give effect to the Scheme, including:

- 18.2.4. consulting with IAB regarding the Circular and taking into account and incorporating all of IAB's comments to the extent reasonable;
- 18.2.5. to the extent necessary and reasonable, making or defending and opposing all applications to the Court to procure the implementation of the Scheme, at IAB's cost;
- 18.2.6. procuring the provision of all information required by the JSE, FinSurv and the TRP for inclusion in the Circular, including any required financial information; and

- 18.2.7. notifying IAB from time to time following the posting of the Circular, until the last day to receive proxies, of the number of proxy votes received by Bell Equipment in relation to the Scheme to the extent possible, the identity of the Bell Equipment Shareholders delivering such proxies.
- 18.3. Subject to the fulfilment (or waiver if capable) of the Agreement Conditions Precedent, IAB shall perform the obligations required to be performed by it, and shall enter into all agreements and sign all documents required to be entered into or signed by it to give effect to this Agreement and the IAB Offer, and will do all such other acts and things and take such steps as may be reasonably necessary or desirable in order to fulfil the Scheme Condition set out in clause 10.2.2 and to carry out and give effect to the Scheme including:
- 18.3.1. furnishing to Bell Equipment all information concerning IAB and IAB as may be reasonably required for the preparation of the Circular;
- 18.3.2. providing all information required by the TRP and the JSE; and
- 18.3.3. subject to the terms and conditions of this Agreement and the Scheme, proceeding with the Scheme after the publication of the Firm Intention Announcement as required under the Companies Regulations and the Companies Act;
- 18.4. IAB undertakes that it shall, subject to the fulfilment or waiver, as the case may be, of the last of the Scheme Conditions, as soon as reasonably practicable after such fulfilment or waiver, as the case may be, of the last of the Scheme Conditions, timeously discharge all of its obligations in relation to the Scheme, including the obligations -
- 18.4.1. imposed on it in terms of the IAB Offer as set out in the Circular; and
- 18.4.2. to pay -
- 18.4.2.1. the Scheme Consideration to the Transfer Secretaries by the 5th (fifth) Business Day after the Scheme Implementation Date for the Transfer Secretaries to make payment to the Scheme Participants on the Scheme Implementation Date
- free of exchange and bank commission and without any set-off and/or deduction.
- 18.5. Notwithstanding any other provision of this Agreement, nothing herein contained shall prevent or limit IAB from improving the terms of the Scheme unilaterally upon written notice to Bell Equipment.

18.6. The obligations in clauses 18.1 and 18.2 shall not apply if the Bell Equipment Independent Board has resolved (by way of a formal resolution), acting reasonably and in good faith, that its recommendation in respect of the IAB Offer should –

18.6.1. not be given or should be withdrawn, qualified or adversely modified in order to comply with the duties of the Bell Equipment Directors to Bell Equipment under Section 130 of the Companies Act; or

18.6.2. be modified due to the requirements of the Takeover Regulations to make the substance of any independent advice known to the Bell Equipment Shareholders,

provided that the Bell Equipment Independent Board first obtained, and had regard to, reputable independent legal and financial advice in terms of regulation 110 of the Takeover Regulations.

19. **PRE-IMPLEMENTATION UNDERTAKINGS**

Bell Equipment undertakes to IAB that Bell Equipment shall, and shall procure that the Bell Equipment Group shall, during the period from the Signature Date to Implementation :

19.1. carry on its business in all material respects in good faith and in the interests of the business concerned, in a lawful fashion, and in a manner consistent in all material respects with the past practice and conduct of the business concerned (“**Ordinary Course of Business**”) and in accordance with its policies and strategies, which shall include, without limitation, not incurring any material liabilities or obligations outside the Ordinary Course of Business;

19.2. exercise its Reasonable Endeavours to preserve and protect its rights and assets; and

19.3. not declare, distribute or pay any distribution *in specie* (that is, a distribution of an asset other than cash).

20. **BREACH AND TERMINATION**

20.1. This Agreement shall terminate with immediate effect and all rights and obligations of the Parties under this Agreement shall, subject to clause 20.2, cease forthwith in the event of any of the following occurring:

20.1.1. upon written notice by IAB to Bell Equipment if the Bell Equipment Independent Board intends to withdraw or modify its recommendation to the Bell Equipment Shareholders in respect of the IAB Offer or if the recommendation has not yet been made, that the Bell Equipment Independent Board will not recommend the IAB Offer to the Bell Equipment Shareholders;

- 20.1.2. upon written notice by Bell Equipment to IAB if Bell Equipment has received a Superior Proposal, and, after following the process set out in clause 22.1 of this Agreement, such Superior Proposal continues to be a Superior Proposal when compared to the new Scheme Consideration and/or other terms contemplated in clause 22.1.2;
 - 20.1.3. if any Scheme Condition which may be waived by IAB becomes incapable of fulfilment, and IAB notifies Bell Equipment in writing that IAB will not waive that Scheme Condition; or
 - 20.1.4. if all the Scheme Conditions have not been fulfilled or waived, on or before the relevant date/s for fulfilment or waiver and/or Bell Equipment and IAB have signed a confirmation that it has not been so terminated and shall not be so terminated.
- 20.2. Neither Party shall be entitled to terminate or otherwise cancel this Agreement or the Scheme after the Scheme Implementation Date. Accordingly, if any provision set out in clause 20.1 provides for a remedy period, and the Scheme Implementation Date occurs before the expiry of such remedy period, the remedy period shall expire on the Scheme Implementation Date, even if that results in there being no remedy period. Save for precluding a Party from terminating or otherwise cancelling this Agreement after the Scheme Implementation Date, the provisions of this clause 20.2 are without prejudice to such other rights and remedies as a Party may have in law, including the rights to claim damages or to seek specific performance.
- 20.3. Termination of this Agreement shall be without prejudice to the rights of either Party that may have arisen prior to termination, and/or the rights of the other Party to bring any other claim or action available at law against the other Party arising from a breach of this Agreement.
- 20.4. For the avoidance of doubt, if a Party (the "**Defaulting Party**") commits any breach of this Agreement and fails to remedy such breach within 10 (ten) Business Days (the "**Notice Period**") of written notice requiring the breach to be remedied by the expiry of the Notice Period, then the Party giving the notice will be entitled, but not obliged, and without prejudice to any other remedies to which the Aggrieved Party may be entitled in law, to claim immediate specific performance by the Defaulting Party of the obligations which it has breached, with or without claiming damages, provided that no Party may terminate this Agreement as a result of such breach or a failure to remedy such breach.

21. REPRESENTATIONS, WARRANTIES AND INDEMNITIES

- 21.1. Each of the Parties represents and warrants to the other that:

- 21.1.1. it has and will have the requisite power, capacity and authority to execute, and perform its obligations under, this Agreement, subject to the fulfilment of the Agreement Conditions and the Scheme Conditions;
- 21.1.2. it is and will be entering into, and exercising its rights and performing its obligations under, this Agreement as principal and not as agent;
- 21.1.3. this Agreement constitutes and will constitute binding and enforceable obligations on it in accordance with the terms of this Agreement, subject to the fulfilment of the Agreement Conditions and the Scheme Conditions;
- 21.1.4. the execution of, and the performance of its obligations under, this Agreement does not and will not:
 - 21.1.4.1. conflict with, or result in a breach of, its memorandum of incorporation or other constitutional documents or any award, order, judgement, decree of any court, arbitrator or governmental authority to which it is a party or by which it is bound;
 - 21.1.4.2. contravene any law or securities exchange requirement to which it is subject; or
 - 21.1.4.3. conflict with, or result in a breach of any of the terms of, or constitute a default under or any Approval to which it is subject, or which it holds or by which it or any of its property or revenues are bound; and
- 21.1.5. as at the Signature Date, it is not aware of the existence of any fact or circumstance which might impair its ability to comply with all of its obligations in terms of this Agreement.
- 21.2. IAB represents and warrants to Bell Equipment that –
 - 21.2.1. the Excluded Shareholders each has the right and authority itself and on behalf of the registered holders, beneficial owners and holders of beneficial interests of and in the Excluded Shares to agree to the exclusion thereof from the Scheme;
 - 21.2.2. the information in the Firm Intention Announcements as regards IAB and as regards each of the Excluded Shareholders, including without limitation in paragraph 9.3 of the Firm Intention Announcement is correct in all respects.
- 21.3. IAB indemnifies Bell Equipment against any adverse consequences following from any claim which any third party may have against Bell Equipment by reason of the breach of the representation and warranty in clause 21.2.

- 21.4. IAB indemnifies each of the directors of Bell *mutatis mutandis* on the same basis against any claim as contemplated in clause 21.3. This clause 21.4 constitutes a *stipulatio alteri* in favour of each of the directors of Bell, capable of acceptance at any time.
- 21.5. Bell Equipment represents and warrants to IAB that, for the period from the Signature Date to the first occurring of (i) the implementation of the Scheme and (ii) the withdrawal or failure of the Scheme, no distribution of cash to Bell Equipment Shareholders in their capacity as Bell Equipment Shareholders has been or will be declared, paid or made by Bell Equipment.
- 21.6. Each of the warranties in clauses 21.1, 21.2 and 21.3:
- 21.6.1. is a separate warranty and shall in no way be limited to or restricted by reference to or by inference from the terms of any other such warranty, or any other provision of this Agreement;
- 21.6.2. which is promissory or relates to a future event will be deemed to have been given as at the date for fulfilment of the promise or for the happening of the event, as the case may be; and
- 21.6.3. unless otherwise stated or the context indicates otherwise, is given as at the Signature Date, as at the Scheme Implementation Date and at all times between those dates.
- 21.7. Notwithstanding anything to the contrary in this Agreement, neither Party makes any representation or warranty as to the accuracy of any forecasts, estimates, projections, future events, statements of intent or statements of opinion provided to the other Party or any of its employees, directors, authorised representatives or advisors.

22. **RIGHT TO MATCH**

- 22.1. Without limiting the provisions of section 126(1)(a) of the Companies Act, Bell Equipment shall not, in respect of any Superior Proposal, enter into any agreement to effect same, unless:
- 22.1.1. IAB has been provided with a copy of the document containing such Superior Proposal (with such deletions as are necessary to protect any confidential portions of such document, provided that the material terms and conditions thereof, and the identity of the person making such Superior Proposal, may not be deleted), in order to afford IAB the right to match or better the Superior Proposal ;
- 22.1.2. 5 (five) Business Days have elapsed from the date on which IAB has received a copy of the document contemplated in clause 22.1.1 and IAB has not made a

binding offer with a new Scheme Consideration and/or other terms ("**New IAB Offer**") such that the Superior Proposal would cease to be a Superior Proposal when compared to the new Scheme Consideration and/or other terms; and

22.1.3. Bell Equipment terminates this Agreement.

22.2. If a Superior Proposal is received by Bell Equipment and/or the Bell Equipment Independent Board and if IAB has not within the 5 (five) Business Days period contemplated in clause 22.1.2 (or such additional period of time as may be agreed in writing by the Parties) submitted a New IAB Offer together with a revised TRP Guarantee approved by the TRP, -

22.2.1. the Bell Equipment Independent Board shall be entitled to withdraw or modify its recommendation in respect of the IAB Offer; and

22.2.2. Bell Equipment shall be entitled to terminate this Agreement.

23. **GENERAL**

23.1. **Applicable law and jurisdiction**

The Scheme is governed by the Laws of South Africa. Each of IAB and Bell Equipment submits to the non-exclusive jurisdiction of the High Court of South Africa, South Gauteng, Johannesburg, in relation to all matters arising out of or in connection with the Scheme.

23.2. **No Withholding**

All amounts payable by one Party to the other in terms of this Agreement shall be paid without set-off, withholding, counterclaim or deduction.

23.3. **Notices**

23.3.1. Any notice under or in connection with this Agreement (**Notice**):

23.3.1.1. shall be in writing;

23.3.1.2. shall be in the English language; and

23.3.1.3. may be delivered personally or sent by email to the Party due to receive the Notice at the relevant address specified in clause 23.3.2 or to another address in South Africa or e-mail address specified by that Party by not fewer than 5 (five) Days' written notice to the other Party.

23.3.2. The addresses referred to in clause 23.3.1 are:

23.3.2.1. **IAB**

Email: garybe@gmail.com
For the attention of: Mr Gary Bell

and copy to

Email: afeinstein@ensafrica.com
For the attention of: Mr Alan Feinstein

23.3.2.2. **Bell Equipment**

Email : diana.mcilrath@bellequipment.com
For the attention of: Ms Diana McIlrath

23.3.2.3. A Notice given under clause 23.3.1 shall conclusively be deemed to have been received on the next Business Day if sent by email or at the time of delivery, if delivered personally.

23.3.2.4. Any legal process to be served on either of the Parties may be served on it at the physical address specified for it in clause 23.3.2 and it chooses that address as its *domicilium citandi et executandi* for all purposes under this Agreement.

23.4. **Entire Agreement**

23.4.1. This Agreement constitutes the entire agreement between the Parties in regard to its subject matter and supersedes any previous agreement between the Parties in relation to the matters dealt with in this Agreement and represents the entire agreement between the Parties in relation to the matters dealt with in this Agreement.

23.4.2. No Party shall have any claim or right of action arising from any undertaking, representation or warranty not included in this Agreement.

23.5. **Remedies and Waivers**

23.5.1. No failure of either Party to exercise, and no delay by it in exercising, any right, power or remedy in connection with this Agreement (each a **Right**) will operate as a waiver thereof, nor will any single or partial exercise of any Right preclude any other or further exercise of such Right or the exercise of any other Right.

23.5.2. Without prejudice to any other rights and remedies which either Party may have, each Party acknowledges and agrees that damages would not be an adequate remedy for any breach by either Party of the provisions of this Agreement and either Party shall be entitled to seek the remedies of interdict, specific performance and other equitable relief (and the Parties shall not contest the appropriateness or availability thereof), for any threatened or actual breach of any such provision of this Agreement by either Party and no proof of special damages shall be necessary for the enforcement by either Party of the rights under this Agreement.

23.6. Invalidity

If any provision of this Agreement (other than a material provision of this Agreement) shall be held to be illegal, invalid or unenforceable, in whole or in part, under the law of any jurisdiction, the legality, validity or enforceability of such provision or part under the law of any other jurisdiction and the legality, validity and enforceability of the remainder of this Agreement shall not be affected. If any provision is held to be or becomes invalid or unenforceable in any respect under the laws of any jurisdiction it shall have no effect in that respect and the Parties shall use all Reasonable Endeavours to replace it by a valid and enforceable substitute provision the effect of which is as close to the intended effect as possible.

23.7. No Partnership

Nothing in this Agreement and no action taken by the Parties under this Agreement shall constitute a partnership, association, corporate merger, joint venture or other co-operative entity between the Parties.

23.8. Rights of Third Parties

This is an agreement between the Parties only and no rights are stipulated for the benefit of any third party, save for the *stipulatio alteri* provided and undertaken in clause 21.4

23.9. Further Assurance

Each Party shall cooperate with the other in good faith, and timeously do or procure to be done all such further acts and things and execute or procure the execution of all such other documents as the other may from time to time reasonably require for the purpose of giving effect to the provisions of this Agreement.

23.10. **Variation**

No agreed cancellation, amendment or variation of this Agreement shall be effective unless in writing and signed by or on behalf of each of the Parties.

23.11. **Assignment**

The rights and obligations of a Party under this Agreement may not be ceded, delegated, assigned or otherwise transferred without the prior written consent of the other Party.

23.12. **Announcements**

23.12.1. Subject to clause 23.12.2, no circular to shareholders, announcement or other press release in relation to this Agreement and/or the IAB Offer shall be distributed or made by IAB or Bell Equipment, directly or indirectly, without the prior written consent of the other, such approval not to be unreasonably withheld, conditioned or delayed.

23.12.2. A Party may distribute or make such circular to shareholders, announcements or other press releases:

23.12.2.1. as are required by law or securities exchange requirements; or

23.12.2.2. as are required by any governmental authority of any relevant jurisdiction (including the TRP and the JSE) (in this regard Bell Equipment shall be entitled to publish any announcement as may be determined by the Bell Equipment Board or the Bell Equipment Independent Board as required in order to comply with the JSE Listings Requirements and/or the Takeover Regulations),

in which case the Party concerned shall take all such steps as may be reasonable and practicable in the circumstances to promptly notify the other Party in writing and first consult the other Party to give that Party an opportunity to contest the disclosure and take into account that Party's reasonable requirements about the proposed form, timing, nature and extent of such circular to shareholders, announcement or other press release.

23.13. **Confidentiality**

23.13.1. The Parties undertake to one another that each shall treat any information relating to this Agreement and or exchanged pursuant to this Agreement, including in relation to the IAB Offer ("**Confidential Information**"): (i) as private, strictly confidential and safeguard it accordingly; and (ii) not use, or disclose to any

person, such information except as required by and in accordance with applicable laws and/or for any permitted purpose, being:

23.13.1.1. implementing the terms of this Agreement;

23.13.1.2. investigating and evaluating the IAB Offer;

23.13.1.3. for purposes of effectively participating in discussions and negotiations concerning the IAB Offer; and

23.13.1.4. implementation of the IAB Offer, if it is concluded.

23.13.2. Subject to 23.12, the provisions of this clause 23.13 shall cease to apply to any Confidential Information of either Party that:

23.13.2.1. is or becomes generally available to the public other than as a result of a breach by a receiving Party of its obligations in terms of this clause 23.13;

23.13.2.2. is also received by a receiving Party from a third party who did not acquire such Confidential Information subject to any duty of confidentiality in favour of the disclosing Party; or

23.13.2.3. was known to the receiving Party prior to receiving it from the other Party.

23.14. **Inside information**

Any obligation imposed by this Agreement on the Parties to disclose any information shall, notwithstanding anything else contained in this Agreement, be subject to any restrictions imposed on the Parties by the Financial Markets Act in respect of inside information and the Listings Requirements and Takeover Regulations in respect of price sensitive information.

23.15. **Counterparts**

This Agreement may be signed in any number of counterparts, and by each signatory on separate counterparts. Each counterpart is an original, but all counterparts shall together constitute one and the same instrument. Delivery of an executed counterpart signature page of this Agreement by email (PDF) or telecopy shall be as effective as delivery of a manually executed counterpart of this Agreement. For the avoidance of doubt, a signature page signed using an electronic signature as provided for in the Electronic Communications and Transactions Act, 2002 (**ECTA**) and, for this purpose, an email signature, scanned copy of a

signatory's wet signature, signature using a pdf or other signature tool, or any other signature contemplated in ECTA shall be an effective mode of delivery.

23.16. Survival

The lapsing, cancellation or termination of this Agreement shall not affect those provisions of this Agreement which expressly provide they will operate after any such lapsing, cancellation or termination or which by implication must continue to have effect thereafter.

23.17. Interest on Overdue Amounts

Save as otherwise expressly provided in this Agreement, any amount falling due for payment by a Party to the other in terms of or pursuant to this Agreement but not timeously paid shall bear interest at the South African Benchmark Overnight Rate plus 2% (two per cent), accruing daily, compounded monthly in arrear, calculated from the due date for payment thereof until the actual date of payment thereof in full, and payable on demand. For this purpose, the "**South African Benchmark Overnight Rate**" is the volume-weighted average of interbank funding at a rate other than the current repo rate and the twenty highest rates paid by banks on their overnight and call deposits, plus five per cent weight for funding through foreign swaps.

23.18. Successor Bound

Without prejudice to any other provision of this Agreement, this Agreement is binding on and inures for the benefit of each Party's successors in title and/or permitted assign/s including but not limited to, the executor, liquidator, curator, receiver, administrative receiver or trustee of any Party.

23.19. Governing Law

This Agreement shall be governed by and construed in accordance with the laws of South Africa (and without giving effect to any conflict of law principles which would result in the application of the laws of any other jurisdiction).

23.20. Arbitration

23.20.1. Save as may be expressly provided for elsewhere in this Agreement for the resolution of a particular dispute, all disputes shall be referred to arbitration without recourse to the ordinary courts of law, except as explicitly provided for in clause 23.20.8, before 3 (three) independent arbitrators (**Arbitrators**). This includes, without limitation, disputes arising from or about the Agreement, its conclusion, effect, termination or cancellation and all claims whether in delict,

contract, strict liability, rectification, misrepresentation, existence, validity, interpretation, application or breach.

- 23.20.2. A Party may refer a dispute for arbitration by giving written notice to the other Party to the dispute (**Dispute Notice**). The Dispute Notice shall declare the dispute and call on the other Party to the dispute to agree on Arbitrators from the current panel of arbitrators of AFSA, who shall, if the matter in dispute is principally (i) a legal matter, be a practising advocate or attorney in South Africa of at least 15 (fifteen) years' standing, (ii) an accounting matter, a practising chartered accountant in South Africa of at least 15 (fifteen) years' standing, or (iii) any other matter, a suitably qualified independent person in South Africa of at least 15 (fifteen) years' standing; and the arbitration process and any procedural deadlines.
- 23.20.3. AFSA's Commercial Rules for Arbitrations shall apply to the arbitration including the process for the selection of the Arbitrators.
- 23.20.4. The arbitration shall be held in Johannesburg, South Africa and in the English language.
- 23.20.5. The Arbitrators shall make a decision by majority decision. Any award made by the Arbitrators shall be final and binding, and no Party shall be entitled to appeal such decision of the Arbitrators, in the absence of manifest error or fraud.
- 23.20.6. The Parties shall, subject to any decision to the contrary by the Arbitrators, be liable equally for the costs of the Arbitrators and the venue for the arbitration. Any costs order made by the Arbitrators may allow for these costs to be recovered by the successful Party or as otherwise provided for by the award by the Arbitrators.
- 23.20.7. If a dispute is settled, the settlement agreement shall only be binding on the Parties if it is written and signed by the Parties. A Party may apply to court to enforce a settlement agreement.
- 23.20.8. Nothing in this Agreement shall prevent a Party from applying to any court having jurisdiction for urgent and/or interim relief, pending the determination of the dispute by Arbitration, or to make an arbitration award an order of court. For this purpose, the Parties submit to the non-exclusive jurisdiction of the High Court of South Africa, Gauteng Local Division, Johannesburg, the High Court of South Africa, Western Cape Local Division, Cape Town and each other division of the High Court of South Africa.

23.21. **Costs and Expenses**

23.21.1. Each Party shall bear and pay its own costs (including relevant Taxes) incurred by it in connection with the preparation, negotiation and entry into this Agreement and the documents to be entered into pursuant to it.

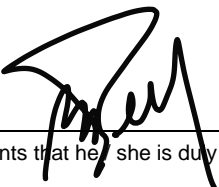
23.22. Inconsistencies

In the event of any inconsistency between this Agreement, the Circular and the Firm Intention Announcement, the Circular will prevail to the extent of such inconsistency.

THE SIGNATURE PAGE FOLLOWS ON THE NEXT PAGE.

SIGNED by the Parties on the following dates and at the following places respectively:

For: **IA BELL AND COMPANY PROPRIETARY LIMITED**

Signature: 

who warrants that he / she is duly authorised thereto

Name: **Gary William Bell**

Date: **12 July 2024**

Place: **Cape Town**

For: **BELL EQUIPMENT LIMITED**

Signature: 

who warrants that he / she is duly authorised thereto

Name: **H R van der Merwe**

Date: **12 July 2024**

Place: **Cape Town**

SCHEDULE 1
FIRM INTENTION ANNOUNCEMENT

BELL EQUIPMENT LIMITED

(Incorporated in the Republic of South Africa)
Registration number 1968/013656/06
Share code: BEL ISIN: ZAE000028304
("Bell Equipment" or "the Company")



IA BELL AND COMPANY PROPRIETARY LIMITED

(Incorporated in the Republic of South Africa)
Registration number 1964/005775/07
("IAB" or "the Offeror")



JOINT ANNOUNCEMENT OF IAB'S FIRM INTENTION TO ACQUIRE THE ISSUED ORDINARY SHARES IN BELL EQUIPMENT, SAVE FOR THOSE HELD BY IAB AND CERTAIN EXCLUDED SHAREHOLDERS, BY WAY OF A SCHEME OF ARRANGEMENT AND THE SUBSEQUENT DELISTING OF BELL EQUIPMENT FROM THE JSE LIMITED

1. INTRODUCTION

1.1. Shareholders of Bell Equipment ("Bell Equipment Shareholders" or "Shareholders") are advised that on 12 July 2024 ("Signature Date") Bell Equipment and IAB (the "Parties") entered into an implementation agreement ("Implementation Agreement") in terms of which IAB agreed to express a firm intention to make an offer ("IAB Offer") to acquire all of the issued ordinary shares ("Bell Equipment Shares" or "Shares") in the Company ("Issued Shares") from Shareholders, save for 32 233 Shares held by Bell Equipment Group Services Proprietary Limited, a wholly owned subsidiary of the Company ("Treasury Shares"), and those Bell Equipment Shares held by certain Shareholders which IAB has advised the Company have agreed with IAB to be excluded from the IAB Offer, being the Bell Equipment Shares:

- 1.1.1. already held by IAB, being 67 040 093 Shares representing 70.13% of the Issued Shares (excluding the Treasury Shares); and
- 1.1.2. held by certain Shareholders who are related to the founding family of Bell Equipment, and certain third parties ("Excluded Shareholders"), holding between them as at the Signature Date, an aggregate of 14 169 896 Shares representing 14.82% of the Issued Shares (excluding the Treasury Shares), as further detailed in the table below.

Excluded Shareholder	Shares held (whether directly or through a nominee)
Peregrine Capital (Pty) Limited ("Peregrine Capital")	4 781 899
Zenithar (Pty) Limited ("Zenithar")	4 516 347
Peresec Prime Brokers (Pty) Limited ("Peresec")	4 472 371
Gary William Bell ¹	253 600
Quentin Irvine Bell	29 500
Mark Owen Bell	29 259
Rosalie Grace Buttery	27 300
Larissa Bell	25 000
Ricky Louise Bell	23 400
Guy Luke Buttery	5 400

Ashley John Bell ²	2 598
Jessica May Bell	2 821
Melissa Bell	301
Kelvin Charles Bell	100
Total	14 169 896

Notes:

¹Non-executive Chairman of the board of directors of Bell Equipment (“**Board**”)

²Chief Executive Officer of Bell Equipment

- 1.2. The Bell Equipment Shares, excluding those referred to in paragraphs 1.1.1 and 1.1.2 above, equate to 14 387 163 Shares held by Shareholders eligible to participate in the IAB Offer (“**Eligible Shareholders**”), representing approximately 15.05% of the Issued Shares (excluding the Treasury Shares) (“**Eligible Shares**”).

2. MECHANICS OF THE IAB OFFER AND SCHEME OF ARRANGEMENT

- 2.1. The IAB Offer will be implemented by way of a scheme of arrangement (“**Scheme**”) in terms of section 114(1) of the Companies Act, 2008 (Act 71 of 2008), as amended (“**Companies Act**”), to be proposed by the Board between Bell Equipment and the Eligible Shareholders in terms of which Eligible Shareholders will, if the Scheme becomes operative, dispose of their Shares (“**Scheme Shares**”) to IAB.
- 2.2. The holders of the Bell Equipment Shares referred to in paragraphs 1.1.1 and 1.1.2 above will not participate in the Scheme and thus will not sell their Shares in terms thereof.
- 2.3. The consideration payable by IAB to Eligible Shareholders participating in the Scheme (each a “**Scheme Participant**”) for the Scheme Shares shall be a cash amount equal to R53,00 per Scheme Share (“**Scheme Consideration**”) acquired pursuant to the implementation of the Scheme.
- 2.4. The Scheme Consideration represents a premium of 71.0% to the closing price of Bell Equipment Shares, and a premium of 82.3% premium to the 30-day volume-weighted average traded price of Bell Equipment Shares on the securities exchange operated by the JSE Limited (“**JSE**”) of R31.00, as at 11 July 2024, being the last trading day prior to the Signature Date.
- 2.5. Pursuant to the approval of a special resolution by Eligible Shareholders to approve the Scheme (“**Scheme Resolution**”) and the waiver (to the extent possible) and/or fulfilment of the Scheme Conditions set out in paragraph 6.3 below (“**Scheme Conditions**”), application will be made by the Company for the delisting of all of the Shares from the securities exchange (“**Exchange**”) operated by the **JSE**, in terms of paragraph 1.17(b) of the JSE Listings Requirements.
- 2.6. Should the Scheme become operative, IAB will, on the date on which the Scheme is to be implemented (“**Scheme Implementation Date**”), acquire all of the Scheme Shares from the Scheme Participants (being the Eligible Shareholders but excluding the Dissenting Shareholders as defined in paragraph 6.2.1.2 below) for the Scheme Consideration.
- 2.7. The contents of this announcement constitute a firm intention by the Offeror to make an offer to the Eligible Shareholders by way of the Scheme as contemplated in Chapter 5 of the Companies Act and Chapter 5 of the Companies Regulations promulgated under the Companies Act (which includes the “Takeover Regulations” issued pursuant to sections 120 and 223 of the Companies Act) (“**Companies Regulations**”).
- 2.8. As required by the Companies Regulations, Bell Equipment has constituted an independent board of directors comprising of Hendrik Roux van der Merwe, Derek Hamilton Lawrance, Rajendran Naidu, Mamokete Emily Ramathe, Ushadevi Maharaj and Markus Geyer (“**Independent Board**”) for purposes of evaluating the terms and conditions of the Scheme and performing such other

functions required of an independent board in terms of the Companies Act and Companies Regulations.

3. OVERVIEW OF IAB

- 3.1. IAB is an investment holding company, owned by representatives of the founding family (and affiliates) of Bell Equipment, these shareholders being:
 - 3.1.1. Gary William Bell;
 - 3.1.2. Peter Charles Bell;
 - 3.1.3. the estate of the late Paul Allan Bell;
 - 3.1.4. Michael Allan Campbell;
 - 3.1.5. the estate of the late David Ian Campbell; and
 - 3.1.6. Cecil Tree Africa Trust.
- 3.2. In addition to its shareholding in Bell Equipment, IAB holds a non-controlling minority 25% stake in Loinette Capital, which is an asset-based finance provider focused on creating funding solutions to small- to medium-enterprises across sub-Saharan Africa.

4. RATIONALE FOR THE SCHEME

- 4.1. IAB holds 70.13% of the Issued Shares (excluding the Treasury Shares), and if the IAB Offer is successfully implemented, IAB, together with the Excluded Shareholders, will own 100% of the Issued Shares (excluding the Treasury Shares).
- 4.2. IAB believes that for the Company to remain competitive and to adapt and grow in an increasingly competitive industry the Company should be restructured to better position itself in the global arena and to enhance its agility and flexibility in decision making, which is not suited to the listed environment. In the unlisted environment, the Board and management of the Company will be able to take a longer-term view in its approach to managing the Company and its business undertakings, particularly where certain strategic decisions are necessary which are unlikely to yield positive short-term financial results.
- 4.3. IAB is of the view that Bell Equipment derives limited value from its listing, as the primary benefits of a listing including share liquidity and the ability to raise capital, are constrained. The listing comes with significant costs, both quantitative and qualitative, which do not appear to be commensurate with the benefit derived therefrom.
- 4.4. The Scheme would also afford minority Bell Equipment Shareholders the opportunity to exit their investment in Bell Equipment at a significant premium to the market price as detailed in paragraph 2.4 above, which would otherwise be a challenge in the current market where there appears to be a lack of investment appetite in "small-cap" stocks.

5. OFFEROR ACTING AS PRINCIPAL AND PARTIES ACTING IN CONCERT

- 5.1. The Offeror is acting as principal and not as an agent in respect of the Scheme and is deemed to be 'acting in concert' in terms of Companies Regulation 84 with the Excluded Shareholders ("**Concert Parties**") for purposes of the implementation of the Scheme.
- 5.2. In terms of section 115(4) of the Companies Act, the Concert Parties will not participate in the Scheme, will not be entitled to vote on the Scheme Resolution, nor will their shareholding be taken into account for the purposes of establishing a quorum at the general meeting of Bell Equipment Shareholders to be convened for purposes of, *inter alia*, approving the Scheme ("**General Meeting**").

6. SALIENT TERMS AND CONDITIONS OF THE SCHEME

- 6.1. **General**

- 6.1.1. The Scheme will constitute an “affected transaction” as defined in section 117(1)(c) of the Companies Act. It will be implemented in accordance with the Companies Act and the Companies Regulations and will be regulated by the Takeover Regulation Panel (“**TRP**”).
- 6.1.2. The Scheme will be subject to the fulfilment or, where applicable, adjustment or waiver of the Scheme Conditions.

6.2. **The Scheme becoming operative and payment of the Scheme Consideration**

- 6.2.1. If the Scheme becomes operative, IAB will be deemed to have acquired all of the Scheme Shares and will pay the Scheme Consideration to “**Scheme Participants**”, being:
 - 6.2.1.1 all Eligible Shareholders recorded in the register of securities of Bell Equipment in order to be eligible to receive the Scheme Consideration (“**Scheme Consideration Record Date**”);
 - 6.2.1.2 but excluding those Shareholders (if any) who validly exercise their appraisal rights by giving written notice to the Company objecting in advance to the Scheme Resolution prior to the General Meeting in accordance with section 164(3) of the Companies Act, voting against the Scheme Resolution and demanding, in terms of section 164(5) and 164(8) of the Companies Act, that the Company pay to them the value of their Shares (“**Dissenting Shareholders**”).
- 6.2.2 The Scheme Consideration shall be settled in full, in accordance with the terms of the Scheme, without any lien, right of set-off, counterclaim or other analogous right to which IAB may otherwise be, or claim to be, entitled against a Scheme Participant.
- 6.2.3 Details regarding the settlement of the Scheme Consideration will be provided for in the scheme circular to be sent to Bell Equipment Shareholders containing full details of the Scheme (“**Circular**”).

6.3 **Scheme Conditions**

- 6.3.1 The Scheme and the implementation thereof will be subject to the fulfilment, or where applicable, waiver or adjustment of each of the following Scheme Conditions:
 - 6.3.1.1 the Independent Expert referred to in paragraph 10 below has issued an opinion confirming the terms of the Scheme and the Scheme Consideration as being fair and reasonable;
 - 6.3.1.2 having regard to the fairness opinion contemplated in paragraph 6.3.1.1 above, the Independent Board has resolved that it is of the opinion that the Scheme Consideration is fair and reasonable and has resolved to recommend to Bell Equipment Shareholders that they vote in favour of the Scheme Resolution;
 - 6.3.1.3 the Circular has been approved by the JSE and the TRP;
 - 6.3.1.4 to the extent that any agreement between Bell Equipment and any of its funders contains any cancellation or other rights in favour of the relevant funder which will be triggered by the implementation of the IAB Offer and/or the delisting of the Company without the approval of the funder concerned, the relevant funder(s) providing such approval;
 - 6.3.1.5 as at the date on which the last of the Scheme Conditions set out in paragraphs 6.3.1.1 to 6.3.1.4 above has been fulfilled or, where waiver or adjustment is permitted, waived, there has, in IAB’s reasonable opinion, since the Signature Date been no event which:
 - 6.3.1.5.1 has resulted or will reasonably result in any cost, loss, damage, charge and/or expense to Bell Equipment exceeding an amount of R80 000 000; or
 - 6.3.1.5.2 is reasonably likely to result in the earnings before interest, taxation, depreciation and amortisation (“**EBITDA**”) of Bell

Equipment as will be indicated in the consolidated audited annual financial statements for the period ending December 2024, being less than the EBITDA for the preceding financial year (ended December 2023) by 14% or more,

provided that the Scheme Condition in this paragraph 6.3.1.5 shall be deemed to have been fulfilled, notwithstanding that an event as contemplated paragraph 6.3.1.5.1 or paragraph 6.3.1.5.2 has occurred, if (1) IAB or any of its directors were, as at the Signature Date, aware of such event or the likelihood of it occurring following due and careful enquiry or (2) such event occurred in the ordinary course of business; or (3) provision was made in the consolidated audited annual financial statements for the period ended December 2023, for such event and its consequences, whether provisional or not. If Bell Equipment disputes IAB's opinion that an event in paragraph 6.3.1.5.1 has occurred or if IAB disputes that the circumstances in (1), (2) or (3) immediately above is/are present, if applicable, (the "**Dispute**"), then:

- 6.3.1.5.3 it shall be obliged, within 5 (five) Business Days of being notified of IAB's opinion, to refer the matter to the auditors of Bell Equipment (the "**Expert**") for determination in terms of this paragraph 6.3.1.5;
 - 6.3.1.5.4 if no notice of referral is timeously given the Scheme Condition in paragraph 6.3.1.5 shall be deemed not to have been fulfilled;
 - 6.3.1.5.5 the Expert shall act as an expert and not as an arbitrator. The Expert will determine his/her own rules of procedure and will resolve the Dispute as informally and as quickly as possible; and
 - 6.3.1.5.6 save in the event of manifest error, the Expert's decision shall be binding on the Parties.
- 6.3.1.6 the Scheme is approved by the requisite majority of Eligible Shareholders, as contemplated by section 115(2) of the Companies Act, and in the event of the provisions of section 115(2)(c) of the Companies Act becoming applicable;
- 6.3.1.6.1 the High Court of South Africa (the "**Court**") approves the implementation of the relevant resolution; and
 - 6.3.1.6.2 if applicable, Bell Equipment not treating the aforesaid resolution as a nullity, as contemplated in section 115(5)(b) of the Companies Act;
- 6.3.1.7 Eligible Shareholders holding no more than 5% (or such higher percentage as agreed in writing between IAB and Bell Equipment) of the total number of Scheme Shares exercise their appraisal rights ("**Appraisal Rights**") by:
- 6.3.1.7.1 delivering notice objecting, as contemplated in section 164(3) of the Companies Act, to the Scheme Resolution to be proposed in accordance with section 114(1)(c) and section 115(2)(a) of the Companies Act to Eligible Shareholders at the General Meeting;
 - 6.3.1.7.2 voting against the Scheme Resolution; and
 - 6.3.1.7.3 delivering a valid demand, as contemplated in sections 164(5) to 164(8) of the Companies Act, within the time period prescribed in section 164(3) and (7) of the Companies Act;
- 6.3.1.8 the regulatory approvals required to implement the Scheme having been obtained, namely:
- 6.3.1.8.1 the Financial Surveillance Department of the South African Reserve Bank grants such approvals with respect to the Scheme as are required in terms of the South African Exchange Control Regulations (promulgated in terms of the South African Currency and Exchanges Act No. 9 of 1933) to implement the Scheme either unconditionally, or subject to conditions acceptable to IAB; and

- 6.3.1.8.2 the JSE grants such approvals as are required in terms of the JSE Listings Requirements with respect to the Scheme; and
- 6.3.1.9 prior to the fulfilment or where applicable waiver of the last of the Scheme Conditions in paragraphs 6.3.1.1 to 6.3.1.8, the Independent Board has not withdrawn, modified or qualified its recommendation that Shareholders (who are entitled to vote on the Scheme Resolution) vote in favour of the Scheme Resolution and/or withdrawn, modified or qualified its opinion that the Scheme Consideration is fair and reasonable to Shareholders.
- 6.3.2 In the event of the circumstances in section 115(3)(a) becoming potentially applicable by reason of at least 15% of Scheme Participants having voted against the Scheme Resolution, the Company shall not be obliged to bring an application to Court as contemplated in section 115(5(a) unless IAB, within 1 (one) business day of any Scheme Participant who voted against the Scheme Resolution requiring Bell Equipment to seek Court approval as contemplated in Section 115(5)(a) (or such later date as agreed in writing by the Board) - (a) confirms in writing to the Board that IAB agrees to an extension of the Second Long Stop Date (the Second Long Stop Date being 15 November 2024) to no earlier than 15 December 2024 (or such other date as may be agreed in writing by the Board); and (b) delivers to the TRP a new TRP Guarantee for the extended period as security for the payment of the Scheme Consideration, the TRP Guarantee having been issued and delivered to the TRP and the TRP approved the new TRP Guarantee, in which case the Board shall be entitled to waive one or more of the foregoing requirements in its discretion and be entitled, at its election, to declare the Scheme Resolution a nullity. The Board shall in the circumstances be entitled to state the reason for the non-extension of the Second Long Stop Date and declaration of the nullity, as a lack of extension of the Second Long Stop Date on the part of IAB.
- 6.3.3 Each Party shall use its reasonable endeavours to procure the fulfilment or, where applicable, waiver or adjustment of the Scheme Conditions as soon as reasonably practicable.
- 6.3.4 The Scheme Conditions in paragraphs 6.3.1.1 to 6.3.1.5 must be fulfilled or, where waiver or adjustment is permitted, waived or adjusted by no later than the First Long Stop Date (the First Long Stop Date being 31 August 2024) and the Scheme Conditions in paragraphs 6.3.1.7 to 6.3.1.9 must be fulfilled or, where waiver or adjustment is permitted, waived or adjusted by no later than the Second Long Stop Date. Bell Equipment and IAB shall be entitled to extend the First Long Stop Date and/or the Second Long Stop Date by written agreement and subject to TRP approval insofar as necessary. If the First Long Stop Date or the Second Long Stop Date is extended, the amended date will be released on SENS and, if required, published in the South African press.
- 6.3.5 The Scheme Conditions in paragraphs 6.3.1.1, 6.3.1.3, 6.3.1.6 and 6.3.1.8 are regulatory in nature and cannot be waived.
- 6.3.6 Neither IAB nor Bell Equipment may waive or vary any other Scheme Condition unless that waiver is agreed to in writing by both Bell Equipment and IAB and is permissible in law.
- 6.3.7 The Scheme will not be implemented unless the TRP has issued a compliance certificate to Bell Equipment with respect to the Scheme in terms of section 121(b) of the Companies Act.

7. RIGHT TO MATCH

- 7.1 Without limiting the provisions of section 126(1)(a) of the Companies Act, Bell Equipment shall not, in respect of any Superior Proposal, being a *bona fide* written alternative offer from an unsolicited third party that would in the opinion of the Independent Board, if implemented in accordance with its terms, result in a transaction more favourable to Shareholders than the IAB Offer, enter into any agreement to effect same, unless:

- 7.1.1 IAB has been provided with a copy of the document containing such Superior Proposal (with such deletions as are necessary to protect any confidential portions of such document, provided that the material terms and conditions thereof, and the identity of the person making such Superior Proposal, may not be deleted), in order to afford IAB the right to match or better the Superior Proposal;
- 7.1.2 five business days have elapsed from the date on which IAB has received a copy of the document contemplated in paragraph 7.1.1 above and IAB has not made a binding offer with a new Scheme Consideration and/or other terms ("**New IAB Offer**") such that the Superior Proposal would cease to be a Superior Proposal when compared to the New Scheme Consideration and/or other terms; and
- 7.1.3 Bell Equipment terminates the Implementation Agreement.
- 7.2 If a Superior Proposal is received by Bell Equipment and/or the Independent Board and if IAB has not within the five business days (or such additional period of time as may be agreed in writing by the Parties) submitted a New IAB Offer together with a revised guarantee to the TRP approved by the TRP:
 - 7.2.1 the Independent Board shall be entitled to withdraw or modify its recommendation in respect of the IAB Offer; and
 - 7.2.2 Bell Equipment shall be entitled to elect not to be bound to the Implementation Agreement for purposes of the IAB Offer.

8. TRP GUARANTEE

- 8.1 In accordance with regulation 111(4)(a) and 111(5) of the Companies Regulations, IAB has provided the TRP with an irrevocable bank guarantee issued by Investec Bank Limited in respect of a guaranteed amount which is sufficient to satisfy the payment of the maximum Scheme Consideration, being an amount of R762 519 639.

9. INTERESTS OF OFFEROR AND OFFEROR DIRECTORS IN BELL EQUIPMENT SHARES

- 9.1 The Offeror holds 67 040 093 Shares representing 70.13% of the Issued Shares (excluding the Treasury Shares).
- 9.2 Messrs Gary Bell and Ashley Bell have a direct beneficial interest in Bell Equipment Shares, holding 253 600 and 2 598 Shares, respectively.
- 9.3 The Offeror has not had any dealings in Bell Equipment Shares during the six-month period prior to the Signature Date. Peregrine Capital and Zenithar each acts in concert (as defined in the Companies Act) with IAB in respect of the IAB Offer and commenced to act in concert as aforesaid on 25 June 2024. Peresec commenced to act in concert with IAB on 12 July 2024. Since commencing to act in concert with IAB in respect of the IAB Offer, Peregrine Capital, Zenithar and Peresec have not had any dealings in Bell Equipment Shares.
- 9.4 None of the Offeror's directors have had any dealings in Bell Equipment Shares during the six-month period prior to the Signature Date.

10. INDEPENDENT EXPERT AND FAIR AND REASONABLE OPINION

- 10.1 The Independent Board has appointed BDO Corporate Finance Proprietary Limited as the independent expert, as required in terms of section 114(2) of the Companies Act and the Companies Regulations ("**Independent Expert**"), to issue an opinion dealing with the matters set out in sections 114(2) and 114(3) of the Companies Act and regulations 90, 110(1) and 113(1)(a) of the Companies Regulations, to express an opinion on whether the Scheme Consideration is fair and reasonable to Eligible Shareholders ("**Fair and Reasonable Opinion**").
- 10.2 The full report of the Independent Expert in connection with the Scheme will be included in the Circular to be distributed to Shareholders in due course.

11. DISTRIBUTION OF THE CIRCULAR

11.1 The Circular providing full details of the Scheme and containing, *inter alia*, the Fair and Reasonable Opinion, the opinion and recommendations of the Independent Board, the salient dates and times relating to the Scheme, a notice to convene the General Meeting, a form of proxy and other necessary forms to give effect to the Scheme, will be distributed to Bell Equipment Shareholders on or about Tuesday, 13 August 2024.

12. RESPONSIBILITY STATEMENTS

12.1 The Independent Board (to the extent that the information relates to Bell Equipment) collectively and individually accept responsibility for the information contained in this announcement and certify that, to the best of their knowledge and belief, the information contained in this announcement relating to Bell Equipment is true and this announcement does not omit anything that is likely to affect the importance of such information.

12.2 The board of directors of IAB (to the extent that the information relates to IAB and the Excluded Shareholders) collectively and individually accept responsibility for the information contained in this announcement and certify that, to the best of their knowledge and belief, the information contained in this announcement relating to IAB is true and this announcement does not omit anything that is likely to affect the importance of such information.

Richards Bay
15 July 2024

Corporate Advisor and Transaction Sponsor to Bell Equipment
Merchantec Capital

Legal Advisor to Bell Equipment
Webber Wentzel

Corporate Advisor to IAB
Investec Bank Limited

Legal Advisor to IAB
ENS

Independent Expert
BDO Corporate Finance Proprietary Limited

**SCHEDULE 2
TIMETABLE**

Item No.	Relevant Event	Indicative Timeline (Business Days unless otherwise stated)	Target Date
1.	Date on which the last of the Agreement Conditions Precedent is all fulfilled or waived, if capable of waiver	Day "S"	
2.	IAB delivers original signed TRP Guarantee to TRP	S + 0	
3.	Publish Firm Intention Announcement on SENS	S + 0	Monday, 15 July 2024
4.	Publish Firm Intention Announcement in the South African press	S + 1	Tuesday, 16 July 2024
5.	Record date to determine which Bell Equipment Shareholders are eligible to receive the Circular	Friday; earliest = P – 10 Latest = P - 3	Friday, 2 August 2024
6.	Circular posted to Bell Equipment Shareholders	Latest = S + 20 Day "P"	Tuesday, 13 August 2024
7.	Publish on SENS notice that Circular has been posted convening the Bell Equipment General Meeting	P + 0	Tuesday, 13 August 2024
8.	Publish in the South African press notice that Circular has been posted convening the Bell Equipment General Meeting	P + 1	Wednesday, 14 August 2024

Item No.	Relevant Event	Indicative Timeline (Business Days unless otherwise stated)	Target Date
9.	Last day to trade in Bell Equipment Ordinary Shares in order to be eligible to vote at the Bell Equipment General Meeting	MRD - 3	Tuesday, 3 September 2024
10.	Record date to be eligible to vote at the Bell Equipment General Meeting	Friday; earliest = M – 10 Latest = M – 3 “MRD”	Friday, 6 September 2024
11.	Lodge Form of Proxy in respect of the Bell Equipment General Meeting by 10:00	M – 48 hours	Tuesday, 10 September 2024
12.	Forms of Proxy to be submitted to JSE Investor Services (Pty) Ltd any time before commencement of the General Meeting	-	
13.	Last day for any Bell Equipment Shareholder to deliver a written notice to Bell Equipment objecting to the Scheme Resolution in accordance with Section 164(3) of the Companies Act before the resolution is to be voted on at the Bell Equipment General Meeting	P + 15 + 7 calendar days Day “M”	Thursday, 12 September 2024
14.	Bell Equipment General Meeting to be held by electronic communication at 10:00 am on	P + 15 + 7 calendar days Day “M”	Thursday, 12 September 2024
15.	Results of the Bell Equipment General Meeting released on SENS on	M + 0	Thursday, 12 September 2024

Item No.	Relevant Event	Indicative Timeline (Business Days unless otherwise stated)	Target Date
16.	Results of the Bell Equipment General Meeting published in the South African press	M + 1	Friday, 13 September 2024
17.	Last day for Bell Equipment Shareholders who voted against the Scheme Resolution to require Bell Equipment to seek Court approval for the Scheme in terms of Section 115(3)(a) of the Companies Act	M + 5	Thursday, 19 September 2024
18.	Last day on which Bell Equipment Shareholders who voted against the Scheme Resolution, can apply to Court for leave to review the Scheme in terms of Section 115(3)(b) of the Companies Act	M + 10	Friday, 27 September 2024
19.	Last day for Bell Equipment to send notice of adoption of the Scheme Resolution to Dissenting Shareholders in accordance with Section 164 of the Companies Act	M + 10	Friday, 27 September 2024
20.	Last day for Dissenting Shareholders, by reason of the adoption of the Scheme Resolution, to make a demand to Bell Equipment that Bell Equipment pay such Dissenting Shareholders the fair value of all Bell Equipment Ordinary Shares held by them, in terms of Section 164(7) of the Companies Act	M + 30	Friday, 25 October 2024

Item No.	Relevant Event	Indicative Timeline (Business Days unless otherwise stated)	Target Date
21.	Compliance certificate expected to be received from the TRP on	R – 9	Monday, 28 October 2024
22.	Scheme Finalisation Date announcement expected to be on published on SENS by no later than 11:00	Latest = R – 8	Tuesday, 29 October 2024
23.	Scheme Finalisation Date announcement expected to be published in the South African press on	Latest = R – 7	Wednesday, 30 October 2024
24.	Delisting application in respect the Bell Equipment Ordinary Shares lodged with the JSE on	R – 7	Thursday, 31 October 2024
25.	Scheme Last Day to Trade, being the last day to trade Bell Equipment Ordinary Shares on the JSE in order to be recorded in the Bell Equipment Securities Register to receive the Scheme Consideration on	R – 3	Tuesday, 5 November 2024
26.	Suspension of listing of Bell Equipment Ordinary Shares on the JSE expected to take place at the commencement of trade on	R – 2	Wednesday, 6 November 2024
27.	Scheme Record Date, being the date on which Bell Equipment Shareholders must be recorded in the Bell Equipment Securities Register to receive the Scheme Consideration, being close of trade on	Day "R"	Friday, 8 November 2024

Item No.	Relevant Event	Indicative Timeline (Business Days unless otherwise stated)	Target Date
28.	Scheme Implementation Date expected to be on	R + 1	Monday, 11 November 2024
29.	Dematerialised Scheme Participants expected to have their accounts (held at their CSDP or broker) credited with the Scheme Consideration on or about	R + 1	Monday, 11 November 2024
30.	Scheme Consideration expected to be paid/posted to certificated Scheme Participants who provided their form of surrender and transfer and documents of title on or prior to 12:00 pm on the Scheme Record Date, on or about	R + 1 (or by no later than 5 Business Days after the Special Implementation Date)	Monday, 11 November 2024
31.	Termination of the listing of Bell Equipment Ordinary Shares on the JSE expected to take place at the commencement of trade on or about	R + 2	Tuesday, 12 November 2024