
THIS RIGHTS OFFER CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

The definitions and interpretations commencing on page 9 of this document apply, *mutatis mutandis*, throughout this document including this cover page, **except where the context indicates a contrary intention.**

Shareholders are referred to page 4 of this Rights Offer Circular, which sets out the action required of them with regard to the Rights Offer, full details of which are set out in this Rights Offer Circular. If you are in any doubt as to the action that you should take, please consult your Broker, CSDP, banker, legal advisor, accountant or other professional advisor immediately.

If you have disposed of all of your Jasco Shares, this Rights Offer Circular and the Form of Instruction should be forwarded to the purchaser to whom, or the Broker, CSDP or agent through whom you disposed of your Jasco Shares, except that this Rights Offer Circular and Form of Instruction should not be forwarded or transmitted by you to any person in any territory other than South Africa unless the Rights Offer can lawfully be made to such person or in such territory.

The Rights Offer does not constitute an offer in any jurisdiction in which it is illegal to make such an offer and this Rights Offer Circular and Form of Instruction should not be forwarded or transmitted to any person in any territory other than where it is lawful to make such an offer.

No action has been taken by Jasco to obtain any approval, authorisation or exemption to permit the issue of Rights Offer Shares or the possession or distribution of this Rights Offer Circular (or any other publicity material relating to the Rights Offer Shares) in any jurisdictions other than South Africa. Foreign Shareholders should refer to paragraph 4.7 of this Rights Offer Circular for further details in this regard.

Only whole numbers of Jasco Shares will be issued in terms of the Rights Offer and Shareholders will be entitled to rounded numbers of Shares once the Ratio of Entitlement has been applied. Excess applications will be allowed in respect of the Non-committed Rights Offer Shares only, pursuant to which Shareholders may apply for additional Non-committed Rights Offer Shares over and above their entitlement to Rights Offer Shares in terms of the Rights Offer.

As the Rights Offer is non-renounceable, Shareholders will not be allowed to renounce their Rights and will not have the option to offer, sell, transfer, or deliver Rights in any way or form. Shareholders will be the only persons able to take up or exercise their Rights, in part or full. If the Rights are not taken up or exercised, the Rights will be deemed to have been declined and the Rights Offer entitlement will lapse.



RIGHTS OFFER CIRCULAR TO JASCO SHAREHOLDERS

regarding:

- A partially underwritten non-renounceable Rights Offer of 157 142 857 new Jasco Shares, to be issued at a Subscription Price of 35 cents per Share, in the ratio of 68.52582 Rights Offer Shares for every 100 Jasco Shares held at the close of business on Friday, 28 January 2022, thereby raising a maximum of R55 000 000 of new capital for the Company;

and incorporating:

- a **Form of Instruction in respect of a Letter of Allocation (to be completed by holders of Certificated Shares only).**

Rights Offer opens at 09:00 on	Monday, 31 January 2022
Rights Offer closes at 12:00 on	Friday, 4 February 2022

The Directors of Jasco whose names appear in the "Corporate Information and Advisors" section of this Rights Offer Circular, collectively and individually accept full responsibility for the accuracy of the information given in this Rights Offer Circular and certify that, to the best of their knowledge and belief, there are no facts the omission of which would make any statement in this Rights Offer Circular false or misleading and that they have made all reasonable enquiries to ascertain such facts and that this Rights Offer Circular contains all information required in law and by the Listings Requirements.

Corporate Advisor and Sponsor



Underwriter



Date of issue: Tuesday, 18 January 2022

This Rights Offer Circular is available in English only. Copies of this Rights Offer Circular may be obtained from the registered offices of Jasco, the Corporate Adviser and Sponsor and the Transfer Secretaries whose addresses are set out in the "Corporate information and advisors" section of this Rights Offer Circular and will be available in electronic form from Tuesday, 18 January 2022 to Wednesday, 9 February 2022 as well as from the Company's website (www.jasco.co.za). A copy of this Rights Offer Circular, together with the Form of Instruction and other requisite documents referred to in section 99(4)(b) of the Companies Act, were approved by the JSE. This Rights Offer Circular is not an invitation to the public to subscribe for Shares, but is issued in compliance with the Listings Requirements for the purpose of providing information to the public with regard to the Company and the Rights Offer.

DISCLAIMER

The Rights Offer does not constitute an offer in any area of jurisdiction in which it is unlawful to make such an offer and in such circumstances, this Rights Offer Circular and accompanying Form of Instruction are distributed for information purposes only.

All transactions arising from the provisions of this Rights Offer Circular and the Form of Instruction shall be governed by and be subject to the laws of South Africa. The Rights Offer may be affected by the laws of the relevant jurisdictions of foreign Shareholders. Such foreign Shareholders should inform themselves about and observe any applicable legal requirements of such jurisdictions in relation to all aspects of this Rights Offer Circular that may affect them, including the Rights Offer. It is the responsibility of any foreign Shareholder to satisfy himself as to the full observation of the laws and regulatory requirements of the relevant jurisdiction in connection with the Rights Offer, including the obtaining of any governmental, exchange control or other consent or the making of any filings which may be required, the compliance with other necessary formalities, the payment of any issue, transfer or other taxes or requisite payments due in such jurisdiction. The Rights Offer is further subject to any other applicable laws and regulations, including the Exchange Control Regulations. Any foreign Shareholder who is in doubt as to his position, including without limitation his tax status, should consult an appropriate independent professional advisor in the relevant jurisdiction without delay.

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CORPORATE INFORMATION AND ADVISORS

Registered office of Jasco

Corner Alexandra Avenue and 2nd Street
Midrand, 1685
(PO Box 860, Wendywood, 2144)
Date and place of incorporation:
20 July 1987– Pretoria; South Africa

Transfer Secretaries

JSE Investor Services Proprietary Limited

(Registration number 2000/007239/07)
13th Floor
19 Ameshoff Street, Braamfontein
Johannesburg, 2001
(PO Box 4844, Johannesburg, 2000)

Underwriter

Community Investment Holdings Proprietary Limited
(Registration number 1995/007296/07)
Building 3 Ashlea Gardens Office Park
180 Garsfontein Road
Ashlea Gardens
0181, Pretoria
Private Bag X 2001, Menlyn, Pretoria, 0063

Directors of Jasco:

Executive:

WA Prinsloo (Chief Executive Officer)
LA Prigge (Chief Financial Officer)

Company Secretary

MCP Managerial Services

173 Oxford Road
Rosebank
2196

Corporate Advisor and Sponsor to Jasco

Grindrod Bank Limited

(Registration number 1994/007994/06)
4th Floor, Grindrod Tower
8A Protea Place
Sandton, 2146
(PO Box 78011, Sandton, 2146)

Non-Executive:

Dr ATM Mokgokong (Chairperson)
MJ Madungandaba (Deputy Chairperson)
PF Radebe (Lead Independent)[#]
DH du Plessis[#]
MSC Bawa[#]
TP Zondi[#]
AMF Da Silva (Alternate to MJ Madungandaba)

[#] Independent

FORWARD-LOOKING STATEMENTS

This Rights Offer Circular may contain statements about Jasco that are or may be forward-looking in nature. All statements, other than statements of historical facts included in this Rights Offer Circular, may be forward-looking statements. Without limitation, any statements preceded or followed by or that include the words “targets”, “plans”, “believes”, “expects”, “aims”, “intends”, “will”, “may”, “anticipate”, “budget” or similar expressions or the negative thereof are forward-looking statements. Forward-looking statements include, but are not limited to, statements relating to the following: (i) future capital expenditures, expenses, revenues, economic performance, financial condition, dividend policy, losses and future prospects; (ii) business and management strategies and the expansion and growth of Jasco’s operations; and (iii) the effect of regulation on Jasco’s business.

These forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of Jasco, or industry results, to be materially different from any results, performance or achievements expressed or implied by such forward-looking statements. These forward-looking statements are based on numerous assumptions regarding the present and future business strategies of Jasco and the environment in which it will operate in the future. All subsequent oral or written forward-looking statements attributable to Jasco or any persons acting on their behalf are expressly qualified in their entirety by the cautionary statement above. Jasco expressly disclaims any obligation or undertaking to disseminate any updates or revisions to any forward-looking statements contained herein to reflect any change in its expectations with regard thereto or any change in events, conditions or circumstances on which any such statements are based.

Forward-looking statements contained in this Rights Offer Circular have not been reviewed or reported on by the Company’s external auditors.

ACTION REQUIRED BY SHAREHOLDERS

The “Definitions and Interpretations” commencing on page 9 of this Rights Offer Circular apply, *mutatis mutandis*, to the following section on “Action required by Shareholders.”

If you are in any doubt as to what action you should take, you should consult your Broker, CSDP, banker, legal advisor, accountant or other professional advisor immediately.

If you have disposed of all your Jasco Shares, please forward this Rights Offer Circular, together with the enclosed Form of Instruction, to the purchaser of such Jasco Shares or the Broker, CSDP or other agent through whom you disposed of such Jasco Shares. This Rights Offer Circular and Form of Instruction should not be forwarded to any person in any territory other than South Africa unless the Rights Offer can lawfully be made to such person or in such territory.

As the Rights Offer is non-renounceable, Shareholders will not be allowed to renounce their Rights and will not have the option to offer, sell, transfer, or deliver Rights in any way or form. Shareholders will be the only persons able to take up or exercise their Rights, in part or full. If the Rights are not taken up or exercised, the Rights will be deemed to have been declined and the Rights Offer entitlement will lapse.

Action required by Certificated Shareholders

A Form of Instruction for completion by Shareholders who hold Certificated Shares is enclosed with this Rights Offer Circular and the relevant procedure for participation in the Rights Offer is set out below.

If you are a Shareholder holding Certificated Shares and wish to subscribe for all or part of your entitlement in terms of the enclosed Form of Instruction, you must complete the enclosed Form of Instruction in accordance with the instructions contained therein and lodge it, together with the proof of EFT payment of the amount due in Rand and the EFT swift reference number (details of the designated bank account, are available from the corporate actions department of the Transfer Secretaries at 0861 472 644 if calling from within South Africa; +27 11 029 0112 if calling from outside South Africa; or via email at specialprojects@jseinvestorservices.co.za with the Transfer Secretaries as follows:

By hand to:

Jasco Electronics Holdings Limited – Rights Offer
c/o JSE Investor Services Proprietary Limited
Attention: Corporate Actions Department
13th Floor, 19 Ameshoff Street
Braamfontein
Email: specialprojects@jseinvestorservices.co.za

By post to:

Jasco Electronics Holdings Limited – Rights Offer
c/o JSE Investor Services Proprietary Limited
Attention: Corporate Actions Department
(PO Box 4844, Johannesburg, 2000)

so as to be received by the Transfer Secretaries by no later than 12:00 on Friday, 4 February 2022.

Shareholders are reminded of the postal restrictions resulting from Covid-19 and are advised that the preferred means to lodge their Forms of Instruction and proof of EFT payment with the Transfer Secretaries is by way of electronic mail. Lodgement by post shall be at the risk of the Shareholder. Cheques will not be accepted.

The Transfer Secretaries will not be responsible for any loss and/or damage whatsoever in relation to or arising from the late or non-receipt of emailed Forms of Instruction or owing to Forms of Instruction being forwarded to any email address other than those provided above.

Forms of Instruction shall be deemed to be received on the date reflected in the Transfer Secretaries' electronic system. Notwithstanding anything to the contrary, it is the responsibility of all Shareholders to ensure that their Form of Instruction is received by the Transfer Secretaries.

You may apply for additional Non-committed Rights Offer Shares over and above your entitlement to Rights Offer Shares in terms of the Rights Offer. If you wish to apply for excess Non-committed Rights Offer Shares, you must complete the enclosed Form of Instruction in accordance with the instructions contained therein and remit sufficient funds to cover your total application. For the avoidance of doubt, excess applications are only allowed in respect of the Non-committed Rights Offer Shares.

Jasco and the Transfer Secretaries accept no responsibility and will not be held liable for any allocation of Rights Offer Shares pursuant to payment being made or alleged to have been made by way of electronic transfer and where proof of such payment has not been received or purported proof of such payment being insufficient or defective for Jasco and the Transfer Secretaries, for any reason, not being able to reconcile a payment or purported payment with a particular application for Rights Offer Shares.

In order to comply with legislative requirements, the Rights Offer Shares may only be issued in Dematerialised form. In this regard:

- (a) Shareholders holding Certificated Shares who wish to receive the Rights Offer Shares allocated to them in Dematerialised form and who already have an account with a Broker or CSDP, will have their accounts at their Brokers or CSDPs credited with their Rights Offer Shares, provided that they have provided their Form of Instruction, and have elected "Option 1" on Form A thereof, along with the relevant CSDP details, to the Transfer Secretaries on or before 12:00 on Friday, 4 February 2022;
- (b) Shareholders holding Certificated Shares who wish to receive the Rights Offers Shares allocated to them in Dematerialised form, but who do not have an account with a Broker or CSDP, their Shares will be defaulted into the JSE Investor Services CSDP Pty Ltd nominee account (Pacific Custodians Nominees (RF) Pty Ltd) held on behalf and for the benefit of Jasco shareholders. The shareholder will be bound by the terms and conditions of the nominee.

Certificated Shareholders should indicate which of the above applies, when completing the Form of Instruction. Should a Certificated Shareholder contemplated in paragraph (a) above fail to provide the necessary Broker or CSDP account details and other information requested in the Form of Instruction, their Shares will be defaulted into the JSE Investor Services CSDP Pty Ltd nominee account (Pacific Custodians Nominees (RF) Pty Ltd) held on behalf and for the benefit of Jasco shareholders.

Should you be a Shareholder holding Certificated Shares:

- contemplated in paragraph (a) above and have provided your Form of Instruction to the Transfer Secretaries on or before 12:00 on Friday, 4 February 2022, the Rights Offer Shares allocated to you will be credited to your Broker or CSDP account on Monday, 7 February 2022; or
- contemplated in paragraph (b) above, and have provided your Form of Instruction to the Transfer Secretaries on or before 12:00 on Friday, 4 February 2022, you should contact the Transfer Secretaries to have your shares transferred to your preferred Broker.

Shareholders who wish to "rematerialise" their Dematerialised Rights Offer Shares as provided for above and whose registered addresses in the Register are outside of the Common Monetary Area, or whose Ordinary Share certificates are restrictively endorsed in terms of the Exchange Control Regulations, should refer to paragraph 4.7 of this Rights Offer Circular.

If the required documentation and payment have not been received in accordance with the instructions contained in the enclosed Form of Instruction by 12:00 on Friday, 4 February 2022, then the Rights to those unsubscribed Rights Offer Shares will be deemed to have been declined and the Rights Offer entitlement will lapse.

If you have any queries in relation to the action required by Certificated Shareholders, please contact the Transfer Secretaries' helpline via email at specialprojects@jseinvestorservices.co.za or telephonically on 0861 472 644 if calling from within South Africa and on +27 11 029 0112 if calling from outside of South Africa. Calls made from within South Africa will be charged at the standard geographic rate and will vary by provider. Calls made from outside of South Africa will be charged at the applicable international rates. Alternatively, you may send an email. The helpline will be operational between 08:00 and 16:00 (South African time) from Monday to Friday, excluding public holidays in South Africa.

Action required by Dematerialised Shareholders

If you are a Shareholder and have Dematerialised your Ordinary Shares, you will not receive a printed Form of Instruction and you should receive notification from your CSDP or Broker regarding the Rights to which you are entitled in terms of the Rights Offer.

Your CSDP or Broker will credit your account with the number of Rights to which you are entitled and will contact you to ascertain whether you wish to follow your Rights in terms of the Rights Offer and, if so, in respect of how many Rights Offer Shares, or if you wish your Rights to lapse.

Rights not exercised will be deemed to have been declined and will lapse and you will not receive any economic benefit in respect of such lapsed Rights.

CSDPs effect payment in respect of Shareholders who have Dematerialised their Jasco Shares on a delivery versus payment basis. You must ensure that you have sufficient funds in your account to settle the aggregate Rights Offer Price payable in respect of the Rights Offer Shares for which you wish to subscribe.

If you are a Shareholder holding Dematerialised Shares and wish to follow your Rights in respect of the Rights Offer, you are required to notify your duly appointed CSDP or Broker of your acceptance of the Rights Offer in the manner and time stipulated in the Custody Agreement governing the relationship between yourself and your CSDP or Broker. If you are not contacted, you should proactively contact your CSDP or Broker and provide them with your instructions. If your CSDP or broker does not obtain instructions from you, they are obliged to act in terms of the mandate granted to them by you, or if the mandate is silent in this regard, not to subscribe for Rights Offer Shares in terms of the Rights Offer.

You may apply for additional Non-committed Rights Offer Shares over and above your entitlement to Rights Offer Shares in terms of the Rights Offer. If you wish to apply for excess Non-committed Rights Offer Shares, you are required to instruct your CSDP or broker as to the number of additional Non-committed Rights Offer Shares for which you wish to subscribe. For the avoidance of doubt, excess applications are only allowed in respect of the Non-committed Rights Offer Shares.

Jasco does not take responsibility and will not be held liable for any failure on the part of any CSDP or Broker to notify you of the Rights Offer and/or to obtain instructions from you to subscribe for the Rights Offer Shares.

IMPORTANT DATES AND TIMES RELATING TO THE RIGHTS OFFER

The definitions and interpretations commencing on page 9 of this Rights Offer Circular apply, *mutatis mutandis*, to this section.

2022

Rights Offer Declaration and Finalisation Data announcement released on SENS	Monday, 17 January
Rights Offer Circular published on Jasco's website	Tuesday, 18 January
Posting of Rights Offer Circular to Shareholders	Thursday, 20 January
Last day to trade in Jasco Shares in order to participate in the Rights Offer (<i>cum entitlement</i>)	Tuesday, 25 January
Nil paid letters of allocation listed and suspended from trading under JSE code JSCN and ISIN ZAE000306676 at 09:00	Wednesday, 26 January
Jasco Shares commence trading <i>ex-Rights</i> on the JSE at 09:00	Wednesday, 26 January
Last day to post Rights Offer Circular to (Certificated) Shareholders	Wednesday, 26 January
Record Date for the Rights Offer	Friday, 28 January
Rights Offer opens at 09:00	Monday, 31 January
Rights Offer Circular and Form of Instruction emailed/ posted to Dematerialised Shareholders	Monday, 31 January
Dematerialised Shareholders will have their Letters of Allocation credited to their accounts held at their CSDP or broker at 09:00	Monday, 31 January
Last day to trade in respect of the take-up (no trading permitted in the Form of Instruction in respect of the Letters of Allocation which is issued for processing purposes only)	Tuesday, 1 February
Certificated Shareholders will have their Letters of Allocation credited to an electronic account held at the Transfer Secretaries	Friday, 4 February
Payment made and Form of Instruction lodged by Certificated Shareholders wishing to exercise all or part of their entitlement at the Transfer Secretaries by 12:00 on	Friday, 4 February
Rights Offer closes at 12:00	Friday, 4 February
Record Date for take-up in terms of the Rights Offer	Friday, 4 February
Listing of Rights Offer Shares at the commencement of business	Monday, 7 February
CSDP or Broker accounts in respect of Shareholders holding Dematerialised Shares will be updated with Rights Offer Shares and debited with any payments due on	Monday, 7 February
Results of Rights Offer announced on SENS, including information regarding the method/ratio/formula applied to the allocation of the excess rights	Monday, 7 February
In respect of successful excess applications for Non-committed Rights Offer Shares (if applicable), Non-committed Rights Offer Shares issued to Shareholders holding Dematerialised Shares	Wednesday, 9 February
In respect of unsuccessful excess applications for Non-committed Rights Offer Shares (if applicable), refunds made to Shareholders holding Certificated Shares	Wednesday, 9 February

Notes:

1. All references to dates and times are to local dates and times in South Africa.
2. Shareholders of Dematerialised Jasco Shares are required to notify their CSDP or Broker of the action they wish to take in respect of the Rights Offer in the manner and by the time stipulated in the agreement governing the relationship between the Dematerialised Shareholder and his CSDP or Broker.
3. Jasco Share certificates may not be Dematerialised or rematerialised between Wednesday, 26 January 2022 and Friday, 28 January 2022, both days inclusive.
4. CSDPs effect payment in respect of holders of Dematerialised Rights Offer Shares on a delivery versus payment basis.
5. Dematerialised Shareholders will have their accounts at their CSDP or Broker automatically credited with their Rights and Certificated Shareholders will have their Rights credited to an account at the Transfer Secretaries.

DEFINITIONS AND INTERPRETATIONS

In this document including its attachments, unless the context indicates a contrary intention, an expression which denotes any gender includes the other genders, a natural person includes a juristic person and *vice versa*, the singular includes the plural and *vice versa* and the following expressions bear the meanings assigned to them below:

“Act” or “Companies Act”	the Companies Act 2008, (Act No. 71 of 2008), as amended;
“Authorised Dealer”	a person authorised by the Financial Surveillance Department of the South African Reserve Bank to deal in foreign exchange;
“Board” or “the Directors”	the board of directors of Jasco, as reflected on page 2;
“Broker”	any person registered as a broking member (equities) in terms of the rules of the JSE and in accordance with the provisions of the Financial Markets Act;
“business day”	any day other than a Saturday, Sunday or official public holiday in South Africa;
“CEO”	Chief Executive Officer;
“Certificated Shareholders”	Shareholders who hold certificated shares;
“Certificated Shares”	Jasco Shares, represented by a Share certificate or other document(s) of title, which are not Dematerialised Shares;
“CIH”	<p>Community Investment Holdings Proprietary Limited (Registration number 1995/007296/07), a private company incorporated and registered in South Africa, a material Shareholder, owning a total of 74 564 384 (32.52%) Jasco Shares, through the below associated group entities:</p> <ul style="list-style-type: none">• Pond Technologies Proprietary Limited (previously CIH Projects No 8 Proprietary Limited) (Registration Number 2017/366276/07), a private company incorporated and registered in South Africa, which owns 44 263 793 (19.30%) Jasco Shares. Dr ATM Mokgokong and MJ Madungandaba together indirectly owns 50% of this company with the remaining 50% being held by Golden Pond Trading 175 Proprietary Limited;• Community Holdings No 1 Proprietary Limited (Registration Number 1998/007247/07), a private company incorporated and registered in South Africa, which owns 27 143 125 (11.84%) Jasco Shares. Dr ATM Mokgokong indirectly owns 30% and MJ Madungandaba indirectly owns 70% of this company;• Golden Pond Trading 175 Proprietary Limited (Registration number 2004/021830/07), a private company incorporated and registered in South Africa, which owns 2 407 899 (1.05%) Jasco Shares. Community Healthcare Holdings Proprietary Limited (a wholly-owned subsidiary of CIH) owns 45% of the company with the remaining 55% being held by management and individual doctors;• Inkonkoni Investment Holding Trust (Registration number IT2629/02), a trust incorporated and registered in South Africa, which owns 594 250 (0.26%) Jasco Shares and which is an associate of MJ Madungandaba; and• Parmtro Investments No 76 Proprietary Limited (Registration number 2005/029541/07), a private company incorporated and registered in South Africa, which owns 155 317 (0.07%) Jasco Shares. Dr ATM Mokgokong is the sole shareholder;

“Commission” or “CIPC”	the Companies and Intellectual Property Commission, established in terms of section 185 of the Act, or its successor body;
“Committed Rights Offer Shares”	the 134 067 432 Rights Offer Shares representing approximately 85.32% of the Rights Offer Shares, for which Jasco has received a commitment from certain existing Shareholders and the Underwriter to subscribe for in terms of the Irrevocable Undertakings and the Underwriting Agreement;
“Common Monetary Area”	South Africa, the Republic of Namibia and the Kingdoms of Eswatini and Lesotho constitute a single monetary area known as the Common Monetary Area. There are no exchange control restrictions between these countries and similar exchange control measures are applied by each country in respect of all countries outside the Common Monetary Area;
“Corporate Advisor and Sponsor ” or “Grindrod Bank”	Grindrod Bank Limited (Registration number 1994/00794/06), a public company incorporated and registered in South Africa, the Corporate Advisor and Sponsor to Jasco;
“CSDP”	Central Securities Depository Participant, being a participant as defined in section 1 of the Financial Markets Act;
“Custody Agreement”	the agreement which regulates the relationship between the CSDP or Broker and each beneficial holder of Dematerialised Shares;
“Dematerialisation”	the process by which Certificated Shares are converted to electronic form as uncertificated Ordinary Shares and recorded in the sub-register of Shareholders maintained by a CSDP;
“Dematerialised Shareholders”	Shareholders who hold Dematerialised shares;
“Dematerialised Shares”	Shares that have been Dematerialised in accordance with Strate and which shareholding is recorded electronically;
“designated bank account”	the bank account, the details of which will be provided on request from the corporate actions department of the Transfer Secretaries, contactable during ordinary business hours from 08:00 until 17:00, Monday to Friday, excluding public holidays;
“Documents of Title”	valid Share certificates, certified transfer deeds, balance receipts or any other documents of title acceptable to Jasco in respect of a Certificated Share;
“EFT”	electronic fund transfers;
“Exchange Control Regulations”	the Exchange Control Regulations, 1961, as amended, promulgated in terms of section 9 of the South African Currency and Exchanges Act, No. 9 of 1933, as amended;
“Finalisation Date”	the date on which the Rights Offer and its details become irrevocable, being Monday, 17 January 2022, i.e. no further finalisation changes to any of the finalisation information can be made by Jasco and the Rights Offer can only be cancelled;
“Financials Markets Act”	the Financials Markets Act, 2014 (Act No. 19 of 2012), as amended;
“Form of Instruction”	the enclosed form of instruction in respect of the Rights of Certificated Shareholders, and on which Certificated Shareholders must indicate to the Transfer Secretaries, whether they wish to take up all or part of the Rights Offer Entitlement;
“Goldsol”	Goldsol II Proprietary Limited (Registration number 2013/015482/07), a private company incorporated and registered in South Africa, owning 49 995 754 (21.80%) of the current Jasco Shares. Goldsol is solely owned by Shivani Naidoo;

“Government”	the Government of South Africa;
“Harvibase”	Harvibase Investments Proprietary Limited (Registration number 2011/004744/07) a private company incorporated and registered in South Africa, owned by Shaheen Bawa and Yusuf Mohammad, owning 8 020 399 (3.50%) of the current Jasco Shares;
“ICT”	information and communications technology;
“Income Tax Act”	the Income Tax Act, 1962 (Act No. 58 of 1962), as amended;
“Irrevocable Undertakings”	the signed irrevocable undertakings provided by CIH and Harvibase, detailed in paragraph 4.3 of this Rights Offer Circular;
“Jasco” or “the Company”	Jasco Electronics Holdings Limited, (registration number 1987/003293/06), a public company incorporated in accordance with the laws of South Africa, the Ordinary Shares of which are listed on the main board of the stock exchange operated by the JSE;
“Jasco Corporate Bond”	the unlisted corporate bond, as part of Jasco’s Domestic Medium Term Note Programme, issued on 30 January 2015, which bears interest at the three month JIBAR plus 3.25%. Interest is repaid quarterly and the entire outstanding capital of R20 million, plus any accrued interest is repayable on 31 January 2022. These instruments are senior unsecured floating rate notes and are held by CIH. The original amount of the Jasco Corporate Bond was R100 million;
“Jasco Group”	Jasco and its subsidiaries and associates;
“Jasco Shareholders” or “Shareholders”	all registered holders of Jasco issued ordinary shares;
“Jasco Shares” or “Ordinary Shares” or “Shares”	the ordinary shares in the capital of the Company of no par value;
“Jasco Trading”	Jasco Trading Proprietary Limited, (Registration number 1981/005693/07), a private company incorporated in accordance with the laws of South Africa, and a wholly-owned subsidiary of Jasco;
“JSE”	JSE Limited (Registration number 2005/022939/06), a public company incorporated in accordance with the laws of South Africa and licensed as an exchange under the Financial Markets Act;
“last practicable date”	Monday, 10 January 2022, being the last practicable date prior to the finalisation of this document;
“Listings Requirements”	the listings requirements of the JSE;
“Mandatory Offer”	any potential mandatory offer that would be required to be made by a Shareholder to the remaining Shareholders, in terms of section 123 of the Companies Act, to acquire all of the remaining Shares in issue held by the remaining Shareholders as a result of Shares acquired pursuant to the Rights Offer;
“MOI”	the Memorandum of Incorporation of Jasco;
“Non-committed Rights Offer Shares”	the 23 075 426 Rights Offer Shares representing approximately 14.68% of the Rights Offer Shares, for which no commitment to subscribe has been received by Jasco and which do not form part of the Committed Rights Offer Shares;
“own name Dematerialised Shareholders”	Dematerialised Shareholders who have elected to have own name registration;
“R” or “Rand” or “cents”	South African rand and cents, the lawful currency of South Africa;

“Ratio of Entitlement” or “Ratio”	the number of Rights Offer Shares to which Shareholders are entitled to subscribe for in terms of the Rights Offer, being 68.52582 Shares for every 100 Jasco Shares held on the Record Date for the Rights Offer;
“Record Date for the Rights Offer”	the last day for Shareholders to be recorded in the Register in order to participate in the Rights Offer, being the close of business on Friday, 28 January 2022;
“register”	Jasco’s securities register, including all sub-registers;
“Rights Offer”	the partially underwritten non-renounceable Rights Offer by Jasco to its Shareholders in terms of which Shareholders are entitled to subscribe for the Rights Offer Shares at the Subscription Price in accordance with the Ratio of Entitlement;
“Rights Offer Circular”	this bound document, dated Tuesday, 18 January 2022 including the annexures hereto;
“the Rights Offer Shares”	the 157 142 857 Jasco Shares, which are the subject of the Rights Offer;
“SENS”	the Stock Exchange News Service, the news service operated by the JSE;
“South Africa”	the Republic of South Africa;
“Strate”	Strate Proprietary Limited (Registration number 1998/022242/07), a private company incorporated in accordance with the laws of South Africa, which is a registered central securities depository in terms of the Financial Markets Act, which manages the electronic clearing and settlement system for transactions that take place on the JSE and off-market trades;
“Subscription Price”	35 (thirty five) cents per Rights Offer Share, payable on subscription for the Rights Offer Shares;
“subsidiary”	a subsidiary company, as defined in section 3 of the Act;
“Takeover Regulations”	the regulations published in terms of section 120 of the Companies Act, which form part of the Companies Regulations;
“TMM”	TMM Holdings Proprietary Limited (Registration number 2004/027098/07), a private company incorporated and registered in South Africa, owning 10 031 625 (4.37)% of the current Jasco Shares. Mario Jose Andreade Ferreira owns 70% of TMM with the remaining 30% owned by directors of TMM. Carla Maria Ferreira, spouse of Mario Jose Andreade Ferreira further owns 13 418 995 (5.85%)% of the current Jasco Shares;
“Transfer Secretaries”	JSE Investor Services Proprietary Limited (Registration number 2000/007239/07), a private company incorporated in accordance with the laws of South Africa;
“TRP”	the Takeover Regulation Panel established in terms of section 196 of the Companies Act;
“TRP Waiver Circular”	the circular distributed to Shareholders on Thursday, 7 October 2021, regarding the Waiver of Mandatory Offer (amongst others), including a notice of general meeting that was held on Friday, 5 November 2021;
“Underwriting Agreement”	The underwriting agreement entered into between Jasco and CIH, (with Community Investment Holdings Proprietary Limited, Community Holdings No 1 Proprietary Limited and Golden Pond Trading 175 Proprietary Limited, being the specific parties to the agreement) on 10 January 2022 in terms of which CIH agreed to follow its rights in terms of the Rights Offer to subscribe for a total of 20 250 082 Rights Offer Shares, which equates to R7 087 529 and to underwrite a further 108 321 347 Rights Offer Shares, which equates to R37 912 471;

“VAT”	Value-Added Tax;
“VWAP”	volume weighted average price;
“Waiver of Mandatory Offer”	the waiver by the independent shareholders of the right to receive the Mandatory Offer, in terms of Takeover Regulation 86(4), by way of a resolution adopted at the general meeting; and
“Working Capital Facility”	<p>the working capital facility of R130 million from the Bank of China Limited Johannesburg Branch, which was raised on 13 May 2017. The working capital facility is secured by a cession of the debtors of the major subsidiaries of the group and a general notarial bond over the movable assets of the major Jasco subsidiaries. The loan bears interest at the three-month JIBAR plus 330 basis points, which is payable on a quarterly basis. The capital, in the amount of R130 million, was repayable in one instalment by 27 December 2021. The outstanding balance is R130 million.</p> <p>A restructuring of the Working Capital Facility was agreed with the Bank of China during December 2021. The Working Capital Facility has been restructured into a term loan repayable over 36 months, for a fee of 0,5% of the facility. The interest rate will increase by 1,5% per annum.</p> <p>A minimum of R10 million will be settled from the proceeds of the Rights Offer, and the balance ,in the amount of R120 million, will be repaid monthly from January 2022 until December 2024. An unsecured bank guarantee in favour of the Bank of China of R20 million, has been issued by Golden Pond Trading 175 Proprietary Limited. The demand guarantee will expire on the earlier of the payment of the R10 million or the 15th February 2022.</p>

RIGHTS OFFER CIRCULAR TO SHAREHOLDERS

1. INTRODUCTION AND PURPOSE OF THIS RIGHTS OFFER CIRCULAR

Shareholders are referred to the announcement released on SENS on 7 October 2021 in which Shareholders were advised that Jasco will be approaching them as part of a capital raise exercise in the form of a rights offer. A circular providing shareholders with relevant information regarding the proposed rights offer and the Waiver of Mandatory offer ("TRP Waiver Circular") was distributed to shareholders on Thursday, 7 October 2021. The details of the TRP Waiver Circular is detailed in paragraph 2 below:

It was announced on SENS on Monday, 17 January 2022, that Jasco intends to raise a maximum amount of R55 000 000 from its Shareholders by way of a partially underwritten non-renounceable Rights Offer, in order for Jasco to stabilise the Group's balance sheet, to pursue organic growth opportunities and to proactively reduce the gearing levels in the short- to medium-term.

In terms of the Rights Offer, 157 142 857 new Jasco Shares of no par value in the authorised but unissued share capital of the Company, will be offered for subscription to Jasco Shareholders recorded in the register at the close of trade on Friday, 28 January 2022, who will have the right to subscribe for Rights Offer Shares on the basis of 68.52582 Rights Offer Shares for every 100 Jasco Shares held, for subscription at 35 cents per Rights Offer Share. The maximum amount to be raised is R55 000 000. Only whole numbers of Shares will be issued and Jasco Shareholders will be entitled to a rounded number Shares, as set out in paragraph 4.1, once the Ratio has been applied. Excess applications will be allowed in respect of the Non-committed Rights Offer Shares only, as detailed in paragraph 4.6 below.

In terms of the Irrevocable Undertakings, Jasco has received commitments from certain of its Shareholders, CIH and Harvibase to follow the entities respective rights in terms of the Rights Offer and to subscribe for a total of 25 746 085 Rights Offer Shares, which equates to R9 011 130. In terms of the Underwriting Agreement, CIH has further agreed to underwrite a maximum of 108 321 347 Rights Offer Shares, amounting to R37 912 471. This brings the total amount for which Jasco has received commitments in terms of the Rights Offer to R46 923 601. No commitments fees or underwriting fees will be applicable.

The total investment committed by CIH to the Rights Offer amounts to R45 000 000, of which R20 000 000 will be set off against the outstanding balance of the Jasco Corporate Bond held by CIH, for practical reasons. The remaining R25 000 000, will be in the form of a cash subscription.

Parmtro Investments no 76 Proprietary Limited an associated entity of CIH and Dr ATM Mokgokong, on 31 December 2021, provided a verbal commitment that it will follow its rights in terms of the Rights Offer and subscribe for 106 432 Rights Offer Shares, which equates to R37 251. It has further committed to apply for a maximum of 179 282 excess Rights Offer Shares which equates to R62 749. The maximum amount of the commitment equates to R100 000. The commitment is disclosed separately as it does not form part of the Irrevocable Undertaking or the Underwriting Agreement.

The JSE has agreed to the listing of the Rights Offer Shares and the purpose of this Rights Offer Circular is to furnish Jasco Shareholders with relevant information relating to the Rights Offer, the action required and the implications thereof, in accordance with the Companies Act and the Listings Requirements.

Financial Closed Period

Shareholders are advised that Jasco is currently in a financial closed period which commenced on 1 January 2022. The closed period will end once the interim results for the six months ended 31 December 2021 has been published. Jasco is in the process of compiling the interim financial results for the six months ended 31 December 2021 and will publish a trading statement on SENS, during the week of 31 January 2022, prior to the closing of the Rights Offer on Friday, 4 February 2022, in order to provide Shareholders with the required guidance.

2. TRP WAIVER CIRCULAR

It is expected that CIH's commitment to partially underwrite the Rights Offer will result in it breaching the 35% threshold in terms of the Takeover Regulations. It is not the intention of CIH (with any related or inter-related parties and/or any persons acting in concert with it) to obtain control of Jasco and the risk of a Mandatory Offer being inadvertently triggered would prejudice participation in and the underwriting of the Rights Offer. Accordingly, and in order to achieve the purpose of the Rights Offer without exposing CIH (with any related or inter-related parties and/or any persons acting in concert with it) to such an unintended consequence, Independent Shareholders was requested to waive the right to receive any Mandatory Offer by way of an ordinary resolution that was to be approved at a general meeting by independent shareholders holding more than 50% of the general voting rights of all independent shareholders present at the general meeting.

In order to obtain the approval for the Waiver of Mandatory Offer, the TRP Waiver Circular was distributed to shareholders on Thursday, 7 October 2021, including a notice of general meeting regarding the following:

- the authorisation to issue additional shares for the purpose of implementing the proposed rights offer, considering that the voting power of such shares, upon issue, may be equal to or exceed 30% of the voting power of the shares currently in issue and to issue shares under the proposed rights offer to shareholders, contemplated in sections 41(1) and 41(3) of the Companies Act;
- the approval of the Waiver of any Mandatory Offer; and
- the placing of the unissued shares under the control of the directors and the granting of authority to the directors to issue additional shares for the purpose of implementing the proposed rights offer.

The general meeting of shareholders was held on Friday, 5 November 2021, at which the resolutions contained in the notice of general meeting was approved by the requisite majority of Shareholders, as was announced on SENS on Friday, 5 November 2021.

Subsequent to the general meeting of shareholders, the TRP was approached and have approved the Waiver of Mandatory Offer in terms of Takeover Regulation 86, as was announced on SENS on Monday, 8 November 2021.

3. SALIENT INFORMATION ON JASCO

3.1 Nature of Jasco's Business

Jasco is a South African company that delivers technologies across Information and Communication Technology ("ICT"), Manufacturing, Security and Fire, and Power and Renewables. Jasco has been listed on the securities exchange operated by the JSE Limited, since 1987. Jasco is a distributor, reseller, systems integrator and service provider that delivers innovative solutions.

Jasco has a wide range of products, services and solutions that focus predominantly on the key sectors of ICT, manufacturing, security and fire, and power and renewables.

ICT SOLUTIONS

ICT Communication Solutions

ICT-Communication Solutions contributed 33% of group revenue during the year ended 30 June 2021. It delivers telecommunications products and services, from design and planning of networks to configuration, integration and support. As a distributor and systems integrator, our proven solutions focus on access, transmission and operational support systems for telecommunications networks across southern Africa. It also delivers Internet of Things (IoT) Solutions (real-time asset tracking and management) and Voice Recording software applications.

ICT-Intelligent Solutions

ICT Intelligent Solutions contributed 30% of group revenue during the year ended 30 June 2021. ICT Intelligent Solutions delivers end-to-end technology solutions to meet both premises and cloud-based customer requirements using technology to solve business problems. The business consists of four key areas, namely Enterprise Solutions (i.e. contact centre and workforce optimisation), Broadcast Solutions, Hi-Sites and property rooftop management solutions.

ELECTRICAL MANUFACTURERS

Electrical Manufacturers contributed 30% of group revenue for the year ended 30 June 2021. Electrical Manufacturers is largely a component manufacturer of plastic injection-moulded products, wire harnesses, metal pressings, and household electrical products, with a special focus on the large home appliance market in South Africa.

SECURITY AND FIRE SAFETY

Security and Fire Safety contributed 7% of group revenue during the year ended 30 June 2021. Security and Fire offers design, installation and maintenance of smart technology solutions to address the safety of buildings and people. Our offering ranges from access control, surveillance systems, fire detection and fire suppression to a suite of smart building solutions.

POWER AND RENEWABLES

Power and Renewables contributed less than 1% of group revenue during the year ended 30 June 2021. Power and Renewables offers a turnkey service that covers both quality and assurance of supply, including uninterruptible power supplies (“UPSs”), generators, transformers, voltage stabilisers (“AVRs”) and surge protection.

3.2 Opinion of Directors as to the prospects of the business

Market Outlook and Group Prospects

The economic outlook for the new financial year remains uncertain, with the South African Government grappling with a number of challenges, including the ongoing COVID-19 impact, growing unemployment, with associated social unrest, and the continued Eskom crisis.

The most pressing issue for the group is to reduce its high debt levels. The team remains confident that its funding initiatives will be successful and that stronger cash generation from operations and the systematic debt reduction will drive Jasco’s continuing turnaround.

The strategic priorities in the current market conditions are to;

- restructure and further reduce debt and ensure the group remains sustainable;
- address internal funding to assist with profitable growth and market relevance;
- grow revenue; and
- maintain stringent cost control.

With the ongoing support from key shareholders, the team will continue to focus on revitalising the group following an extended period of surviving the biggest economic slump South Africa has experienced in almost 50 years. This revival will be achieved by targeting niche sectors for organic growth, which will be supported by the planned capital raise and consequent lower gearing ratio.

Further information can be found in the Integrated Annual Report for the year ended 30 June 2021, which is available on the website www.jasco.co.za, mainly in the “Our Market” and “Operational Reviews” sections.

Solvency, liquidity and going concern

The reviewed summarised consolidated results for the year ended 30 June 2021, was published on SENS on Friday, 29 October 2021 and the audited annual financial statements were made available on the Company’s website on 31 December 2021. Attention was drawn to the fact that on 30 June 2021, the group had accumulated losses of R252,2 million (2020: R257,2 million), with the group making a profit of R6,5 million (2020: loss of R110,9 million).

The group breached its debt covenants on the Jasco Corporate Bond and the Working Capital Facility. This, together with the maturity date at year-end, resulted in the loans being recorded as current liabilities.

With the Jasco Corporate Bond, the group is required to comply with the following financial covenant conditions:

- Interest cover ratio being EBIT divided by net finance charges at a minimum of 2.0 times. (2021: 0.50 (2020: -3.06))
- Debt to EBITDA ratio at a maximum of 3.5 times. (2021: 2.53 (2020: 5.55))
- Debt to equity ratio, being debt divided by equity, at a maximum of 60%. (2021: 315.5% (2020: 307.8%))

With the Working Capital Facility, the group is required to comply with the following financial covenants:

- Debt to equity ratio not exceeding 150%. (2021: 319% (2020: 344%))
- Current and quick ratios not below 1.2:1 and 0.80:1 respectively. (2021: 1.6 and 1.0) (2020: 1.3 and 0.9))
- Interest cover at a minimum of 1.5 times. (Profit before interest and tax divided by net finance costs). (2021: 0.9 (2020: -1.7))
- Debtors of nil to 90 days to provide 120% cover on the outstanding Working Capital Facility balance at all times. (2021: 62% (2020: 90%)).

Subsequent to the year-end, the Jasco Corporate Bond holder and the Bank of China have condoned the breach of the loan covenants as at 30 June 2021.

The group's current liabilities exceed its current assets by R78 million (2020: R146 million). The group has successfully concluded an agreement with the Bank of China to restructure Working Capital Facility during December 2021. The Working Capital Facility was restructured into a term loan of 36 months, to be repaid on a monthly basis from January 2022 until 28 December 2024. The same financial covenants listed above are applicable to the restructured Working Capital Facility

Based on the forecast cash flows from the operations for the next 12 months to December 2022, combined with the Rights Offer, and the successful restructuring of the Working Capital Facility with the Bank of China, the board is satisfied that the Group and Company will continue as a going concern.

3.3 Rationale for the Rights Offer

The rationale for the Company undertaking the Rights Offer, is to raise additional capital in order to stabilise the Group's balance sheet and to proactively reduce the gearing levels which, due to the uncertainty created by the COVID-19 pandemic, is considered prudent. The capital raised will firstly be applied to reducing debt levels through the further reduction of debt as detailed in paragraph 6 below. The remaining proceeds of the Rights Offer will be reserved for ongoing general working capital requirements including but not limited to inventory investments in Communication Solutions and Electrical Manufacturers, project rollouts and related trade creditors in Security & Fire Safety and other operational costs (for example debt restructuring costs, corporate action costs and related professional services and consulting fees).

4. PARTICULARS OF THE RIGHTS OFFER

4.1 Terms of the Rights Offer

- 4.1.1 Jasco Shareholders recorded in the Register at the close of business on Friday, 28 January 2022, are offered Rights Offer Shares at a Subscription Price of 35 cents per Rights Offer Share in the ratio of 68.52582 Rights Offer Shares for every 100 Jasco Shares held, on the terms and conditions as set out herein and in the accompanying Form of Instruction. Only whole numbers of Shares will be issued and Jasco Shareholders will be entitled to rounded numbers of Shares once the Ratio of Entitlement has been applied.
- 4.1.2 Jasco will raise a maximum amount of R55 000 000 in terms of the Rights Offer.
- 4.1.3 The Record Date for the Rights Offer for purposes of determining which Shareholders are entitled to participate in the Rights Offer is Friday, 28 January 2022.

- 4.1.4 The Subscription Price represents a discount of approximately 4% to the 30-day VWAP of Jasco's Ordinary Shares as at close of business on 13 September 2021, being the business day prior to the price being determined.
- 4.1.5 Upon their issue, the Rights Offer Shares will rank *pari passu* in all respects with the existing Jasco Shares.
- 4.1.6 The enclosed Form of Instruction contains details of the Rights to which holders of Certificated Shares are entitled, as well as the procedure for acceptance of all or part of those Rights. Holders of Dematerialised Shares will be advised of the Rights to which they are entitled as well as the procedure for acceptance of all or part of those Rights by their CSDP or Broker in terms of the Custody Agreement entered into between the Shareholder and his CSDP or Broker, as the case may be.
- 4.1.7 The Subscription Price is payable in full, in Rand, by Shareholders holding Certificated Shares on acceptance of the Rights Offer. CSDPs will make payment, on a delivery versus payment basis, in respect of Shareholders holding Dematerialised Shares who have accepted the Rights Offer. Shareholders holding Dematerialised Shares who have accepted the Rights Offer must ensure that the necessary funds are deposited with the relevant CSDP or Broker, as the case may be.
- 4.1.8 The Rights Offer is partially underwritten as detailed in paragraph 4.3 of this Rights Offer Circular and not conditional on a minimum subscription.

4.2 Opening and closing dates of the Rights Offer

The Rights Offer will open at 09:00 on Monday, 31 January 2022 and will close at 12:00 on Friday, 4 February 2022.

4.3 Underwriting Agreement and Irrevocable Undertakings

- 4.3.1 As at the last practicable date, the rights that the existing Shareholders and the Underwriter have committed to follow in terms of the Rights Offer are set out below:

Name of Shareholder	Number of Ordinary Shares held in Jasco before the Rights Offer	% Shareholding prior to the Rights Offer	Number of Rights Offer Shares Entitlement	Number of Rights offer Share Underwritten	% of Shareholding post the Rights Offer
CIH*	73 814 817	32.19	20 250 082*	108 321 347**	52.37
Harvibase	8 020 339	3.50	5 496 003	–	3.50
Total	81 835 156	35.69	25 746 085	108 321 347	55.87

* Of the CIH associated entities (refer to CIH definition), Community Holdings No 1 Proprietary Limited (18 600 049 Rights Offer Shares) and Golden Pond Trading 175 Proprietary Limited (1 650 033 Rights Offer Shares) will follow their respective rights, equating to a total of 20 250 082 Rights Offer shares.

** Community Holdings No 1 Proprietary Limited will underwrite a maximum of 38 542 808 Rights Offer Shares and Golden Pond Trading 175 Proprietary Limited will underwrite a maximum of 69 778 539 Rights Offer Shares.

*** Parmtro Investments No 76 Proprietary Limited's participation is detailed in 4.3.5 below. The other CIH entities, Pond Technologies Proprietary Limited (previously CIH Projects No 8 Proprietary Limited) and Inkonkoni Investment Holding Trust (Registration number IT2629/02) will not be following its respective rights nor participate in the underwriting in order to achieve the internal structure CIH is targeting.

- 4.3.2 In terms of the Irrevocable Undertakings, Jasco has received commitments from CIH and Harvibase to follow their respective rights in terms of the Rights Offer and subscribe for a total of 25 746 085 Rights Offer Shares.
- 4.3.3 No commitment fees will be payable.
- 4.3.4 In terms of the Underwriting Agreement, CIH has further agreed to underwrite a total of 108 321 347 Rights Offer Shares (38 542 808 Rights Offer Shares by Community Holdings No 1 Proprietary Limited and 69 778 539 Rights Offer Shares by Golden Pond Trading 175 Proprietary Limited).

- 4.3.5 The Underwriting Agreement provides for the Jasco Corporate Bond of R20 000 000 to be set off against the subscription (18 600 049 Rights Offer Shares) and Underwriting (38 542 808 Rights Offer Shares) committed to by Community Holdings No 1 Proprietary Limited (being 57 142 857 Rights Offer Shares amounting to R20 000 000). The set off is to be implemented for practical reasons.
- 4.3.6 Parmtro Investments no 76 Proprietary Limited an associated entity of CIH and Dr ATM Mokgokong, on 31 December 2021, provided a verbal commitment that it will follow its rights in terms of the Rights Offer and subscribe for 106 432 Rights Offer Shares, which equates to R37 251. It has further committed to apply for a maximum of 179 282 excess Rights Offer Shares which equates to R62 749. The maximum amount of the commitment equates to R100 000. The commitment is disclosed separately as it does not form part of the Irrevocable Undertakings or the Underwriting Agreement.
- 4.3.7 No Underwriting fee will be payable to the Underwriter.
- 4.3.8 CIH is an existing Shareholder of Jasco and will be committing to the partial underwriting of the Rights Offer to secure the success thereof. Given that CIH is not providing a separate service by underwriting the Rights Offer, it was agreed that no underwriting fee would be applicable.
- 4.3.9 The Board, after due and careful enquiry are of the opinion that the Underwriter has sufficient resources to meet its financial commitments in terms of the Underwriting Agreement.
- 4.3.10 No securities are offered as a preferential right to any person, other than as contemplated by virtue of the Rights Offer.
- 4.3.11 Further particulars of the Underwriter is set out in Annexure 3 to this Rights Offer Circular.

4.4 Entitlement

- 4.4.1 Shareholders will have the right to subscribe for 68.52582 Rights Offer Shares for every 100 Jasco Shares held on the Record Date for the Rights Offer.
- 4.4.2 The allocation of Rights Offer Shares will be such that Shareholders will not be allocated a fraction of a Rights Offer Share and as such, any Rights Offer Entitlement to receive a fraction of a Rights Offer Share;
- is less than one-half of a Rights Offer Share, will be rounded down to the nearest whole number; and
 - is equal to or greater than one-half of a Rights Offer Share, but less than a whole Rights Offer Share will be rounded up to the nearest whole number.

The Rights Offer Entitlement of a Certificated Shareholder as reflected in the appropriate block in the Form of Instruction which accompanies and forms part of this Rights Offer Circular, is dependent on their deemed existing holdings at the close of business on Friday, 28 January 2022.

- 4.4.3 Shareholders are referred to the table of entitlement set out in Annexure 1 to this Rights Offer Circular for their entitlement to the Rights Offer Shares.
- 4.4.4 Certificated Shareholders will have their Rights Offer Entitlement credited to an account in electronic format held at the Company's Transfer Secretaries, which will be administered by the Company's Transfer Secretaries on their behalf. The Enclosed Form of Instruction reflects the Rights Offer Shares for which the Certificated Shareholder is entitled to subscribe. The procedures that these Shareholders should follow for the acceptance, of their Rights Offer Entitlement are reflected in the Form of Instruction.
- 4.4.5 Dematerialised Shareholders will have their Rights Offer Entitlement credited to their account by their CSDP or Broker, in electronic form. The CSDP or Broker will advise Dematerialised Shareholders of the procedure they need to follow for the acceptance of their Rights Offer Entitlement in accordance with their Custody Agreements.

4.5 Procedures for acceptance of the Rights Offer

Full details of the procedure for acceptance by Certificated Shareholders are contained in paragraph 3 of the accompanying Form of Instruction or in the case of Dematerialised Shareholders, as advised by their CSDP or Broker.

The following should be noted:

- 4.5.1 acceptances are irrevocable and may not be withdrawn.
- 4.5.2 Dematerialised Shareholders must contact their CSDP or Broker with regard to the procedure to be followed for acceptance of their Rights Offer Entitlement, and must act in accordance with the instructions received from their CSDP or Broker.
- 4.5.3 Certificated Shareholders should note the following:
 - 4.5.3.1 Acceptances by Certificated Shareholders may only be made by means of the accompanying Form of Instruction.
 - 4.5.3.2 Certificated Shareholders who wish to subscribe for only a portion of their Rights Offer Entitlement must indicate the number of Rights Offer Shares for which they wish to subscribe on the accompanying Form of Instruction.
 - 4.5.3.3 Payment of the Rand value of the Subscription Price may be made by EFT into the designated bank account (details of which are available from the corporate actions department of the Transfer Secretaries, contactable during ordinary business hours on 0861 472 644).
 - 4.5.3.4 Properly completed Forms of Instruction together with the EFT swift reference number (in accordance with paragraph 4.5.5) must be received from Certificated Shareholders by the Transfer Securities at the address referred to in paragraph 4.7.2 by not later than 12:00 on Friday, 4 February 2022. Shareholders are advised to take into consideration postal delivery times when posting their Form of Instruction, as no postal deliveries will be accepted after 12:00 on Friday, 4 February 2022.
 - 4.5.3.5 Payment referred to in paragraph 4.5.4 will, when the EFT cleared into the designated bank account, constitute an irrevocable acceptance of the Rights Offer upon the terms and conditions set out in this Rights Offer Circular and the accompanying Form of Instruction and may not be withdrawn.
 - 4.5.3.6 If any Form of Instruction and EFT is not received and cleared as set out above, the Rights Offer Entitlement will be deemed to have been declined by the Shareholder to whom the Form of Instruction is addressed and the right to subscribe for the Rights Offer Shares offered to such Shareholder in terms of such Form of Instruction, will lapse, no matter who then holds it.
 - 4.5.3.7 Payment received in respect of an application that is rejected or otherwise treated as void by Jasco, or which is otherwise not validly received in accordance with the terms stipulated, will be refunded by way of EFT (without interest) in ZAR to the applicant concerned on or about Friday, 4 February 2022.
 - 4.5.3.8 Jasco does not take responsibility and will not be held liable for any failure on the part of any CSDP or Broker to notify you of the Rights Offer and/or to obtain instructions from you to subscribe for the Rights Offer Shares.
- 4.5.4 Payment by holders of Dematerialised Shares

Payment will be effected on the Shareholder's behalf in Rand by the CSDP or Broker. The CSDP or Broker will make payment in respect of Qualifying Shareholders holding Dematerialised Shares on a delivery versus payment basis.

4.5.5 Payment by holders of Certificated Shares

4.5.5.1 Payment of the Rand value of the Subscription Price may be made by an EFT accompanied by an EFT swift reference number into the designated bank account (details of which are available from the corporate actions department of the Transfer Secretaries, contactable during ordinary business hours on 0861 472 644), together with a properly completed Form of Instruction, clearly marked "Jasco Electronics Limited – Rights Offer", and delivered to:

By hand to:

Jasco Electronics Holdings Limited – Rights Offer

c/o JSE Investor Services Proprietary Limited
Attention: Corporate Actions Department
13th Floor, 19 Ameshoff Street
Braamfontein
Email: specialprojects@jseinvestorservices.co.za

By post to:

Jasco Electronics Holdings – Rights Offer

c/o JSE Investor Services Proprietary Limited
Attention: Corporate Actions Department
(PO Box 4844, Johannesburg, 2000)

So as to be received by no later than 12:00 on Friday, 4 February 2022, or may be posted, at the risk of the Shareholder.

4.5.5.2 The Transfer Secretaries will not be responsible for any loss and/or damage whatsoever in relation to or arising from the late or non-receipt of emailed Forms of Instruction or owing to Forms of Instruction being forwarded to any other facsimile or email address other than those provided above. Forms of Instruction shall be deemed to be received on the date reflected in the Transfer Secretaries' electronic or facsimile systems. Notwithstanding anything to the contrary, it is the responsibility of a Shareholder to ensure that his Form of Instruction is received by the Transfer Secretaries.

4.5.5.3 Please note that the Transfer Secretaries will effect delivery of Share certificates against payment and should EFT swift reference number not accompany the Form of Instruction, the application will be treated as invalid.

4.5.5.4 No acknowledgement of receipt will be given for a EFT received in accordance with the Rights Offer.

4.5.5.5 "Blocked Rand" may be used by emigrants and non-residents of the Common Monetary Area for payment in terms of the Rights Offer. In this regard, reference should be made to paragraph 4.7 which deals with Exchange Control Regulations.

PLEASE NOTE THAT SHOULD YOUR, EFT OR SWIFT REFERENCE NUMBER NOT ACCOMPANY THE FORM OF INSTRUCTION, THE TRANSFER SECRETARIES WILL TREAT YOUR APPLICATION AS INVALID.

4.6 Excess applications for Rights Offer Shares

4.6.1 Excess applications will be allowed in respect of the Non-committed Rights Offer Shares only.

4.6.2 Non-committed Rights Offer Shares not taken up pursuant to the terms of the Rights Offer will be available for allocation to Shareholders who wish to apply for a greater number of Rights Offer Shares than those offered to them in terms of the Rights Offer. Accordingly, Shareholders may apply for additional Non-committed Rights Offer Shares in excess of the Rights Offer Shares allocated to that Shareholder in terms of the Rights Offer, on the same terms and conditions as those applicable to the Rights Offer. The right to apply for additional Non-committed Rights Offer Shares is non-transferable.

4.6.3 Shareholders holding Certificated Shares wishing to apply for excess Non-committed Rights Offer Shares should complete the enclosed Form of Instruction in accordance with the instructions contained therein and return it to the Transfer Secretaries at the addresses set out in the section of this Rights Offer Circular dealing with the "Action Required by Shareholders" on page 4 above.

- 4.6.4 Shareholders holding Dematerialised Shares wishing to apply for excess Non-committed Rights Offer Shares should instruct their CSDP or Broker, in terms of the Custody Agreement entered into between themselves and their CSDP or Broker, as to the number of excess Non-committed Rights Offer Shares for which they wish to apply.
- 4.6.5 An announcement is expected to be released on SENS on Monday, 7 February 2022 stating the results of the Rights Offer and the basis of allocation of any excess Non-committed Rights Offer Shares for which applications are made.
- 4.6.6 The pool of Non-committed Rights Offer Shares to meet excess applications will be dealt with as set out below:
 - 4.6.6.1 if all the Non-committed Rights Offer Shares are taken up in the Rights Offer, then no additional Non-committed Rights Offer Shares will be made available for allocation to applicants;
 - 4.6.6.2 if the Non-committed Rights Offer Shares taken up in the Rights Offer and the excess applications for the Non-committed Rights Offer Shares together, are less than or equal to 100% of the number of Non-committed Rights Offer Shares available, the Board will allocate any or all excess applications in full; or
 - 4.6.6.3 if the Non-committed Rights Offer Shares taken up in the Rights Offer and the excess applications for the Non-committed Rights Offer Shares together, exceed 100% of the number of Non-committed Rights Offer Shares available, the pool of the excess Non-committed Rights Offer Shares will be allocated equitably, taking cognisance of the number of Ordinary Shares held by each excess applicant on the Record Date for the Rights Offer, the number of Rights Offer Shares taken up as a result of the Rights Offer and the number of excess Non-committed Rights Offer Shares applied for by such applicant.
- 4.6.7 Non-equitable allocations of excess Non-committed Rights Offer Shares, that do not comply with the provisions of paragraph 4.6.6.3, will only be allowed in instances where they are used for rounding purposes.
- 4.6.8 Non-committed Rights Offer Shares in respect of successful excess applications will be issued on Wednesday, 9 February 2022.
- 4.6.9 Refunds of monies in respect of unsuccessful applications for additional Non-committed Rights Offer Shares by Shareholders holding Certificated Shares will be paid to the relevant applicants, at their risk, on or about Wednesday, 9 February 2022. No interest will be paid on monies received in respect of unsuccessful applications.

4.7 Exchange Control Regulations

- 4.7.1 In terms of the Exchange Control Regulations, non-residents of the Common Monetary Area will be allowed to:
 - 4.7.1.1 take up rights allocated in terms of the Rights Offer;
 - 4.7.1.2 subscribe for new Rights Offer Shares; and
 - 4.7.1.3 subscribe for excess Non-Committed Rights Offer Shares that have not been applied for in terms of the Rights Offer;provided that payment is received in foreign currency or in Rand from a Non-resident Rand account in the name of the non-resident and/or Rand from a vostro account held in the books of the Authorised Dealer.
- 4.7.2 All applications by non-residents for the above purposes must be made through an Authorised Dealer. Shares subsequently re-materialised and issued in certificated form, will be endorsed "Non-Resident".

- 4.7.3 Where a Right in terms of the Rights Offer falls due to a former resident of the Common Monetary Area, which Right is based on Shares controlled in terms of the Exchange Control Regulations, only funds in the emigrant's capital account may be used to take up this Right. In addition, such funds may also be used to:
- 4.7.3.1 subscribe for new Rights Offer Shares; and
 - 4.7.3.2 subscribe for excess Non-committed Rights Offer Shares that have been applied for in terms of the Rights Offer.
- 4.7.4 Applications by emigrants to use funds in their capital account for the above purposes must be made through the Authorised Dealer controlling their remaining assets. Any Shares issued pursuant to the use of funds in the emigrant's capital account will be credited to their Share accounts at the CSDP controlling their remaining portfolio.

4.8 **Restricted jurisdictions**

Any Shareholder resident outside the common monetary area who receives the Rights Offer Circular and Form of Instruction, should obtain advice as to whether any Governmental and/or any other legal consent is required and/or any other formality must be observed to enable such a subscription to be made in terms of such Form of Instruction.

The Rights Offer does not constitute an offer in any jurisdiction in which it is illegal to make such an offer ("Restricted Territories") and the Rights Offer Circular and Form of Instruction should not be forwarded or transmitted by recipients thereof to any person in any territory other than where it is lawful to make such an offer.

United States of America

The letters of allocation and the Rights Offer Shares have not been and will not be registered under the Securities Act, 1933 ("US Securities Act") or under securities laws of any Restricted Territory and may not be offered, sold, taken up, exercised, resold, renounced, transferred or delivered, directly or indirectly, within the United States of America, except in respect of Qualified Institutional Buyers as contemplated under the US Securities Act ("QIB") pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act and in compliance with any applicable securities laws of any state or other jurisdiction of the United States of America. Investors who are located in the United States of America will be required to execute and deliver a QIB investor letter ("QIB Letter"), a copy of which is available from the Company Secretary, at company.secretary@jasco.co.za, prior to taking up or transferring Rights in the Rights Offer or acquiring Rights Offer.

Shares in the Rights Offer

Shareholders who are required to submit a QIB Letter must do so by emailing same to the Company Secretary at company.secretary.jasco.co.za on or before 12:00 on Friday, 4 February 2022.

Accordingly, the Company is not extending the Rights Offer into the United States of America unless an exemption from the registration of the US Securities Act is available, and subject to certain exceptions, the Rights Offer Circular neither constitutes nor will it constitute an offer or invitation to apply for, or an offer or an invitation to acquire, any letters of allocation or Rights Offer Shares in the United States of America.

In addition, until 40 days after the commencement of the Rights Offer, an offer, sale or transfer of the Rights Offer Shares within the United States of America by a dealer (whether or not participating in the Rights Offer) may violate the registration requirements of the US Securities Act. Subject to certain exceptions, Jasco Shareholders with a registered address in the United States of America will be treated as unexercising holders. The Rights in terms of the Rights Offer are non-renounceable and are not transferable. As a result, such applicable Rights will not be sold by the Transfer Secretaries on behalf of any unexercising holders. To the extent that foreign Jasco Shareholders are not entitled to participate in the Rights Offer, as result of being resident in a Restricted Jurisdiction, such foreign Jasco Shareholders should not take up their Rights in terms of the Rights Offer and should allow their Rights to lapse.

Although letters of allocation may be credited to the CSDP or Broker accounts of qualifying Dematerialised Shareholders:

- with a registered address, or resident, in one of the Restricted Territories;
- in the United States of America; or
- with a registered address, or who hold on behalf of persons located in the United States of America, or who hold on behalf of any person on a non-discretionary basis who is in the United States of America or any state of the United States of America, such crediting of letters of allocation does not constitute an offer to restricted Jasco Shareholders and such restricted Jasco Shareholders will not be entitled to take up or transfer Rights in the Rights Offer or acquire Rights Offer Shares in the Rights Offer unless such action would not result in the contravention of any registration or other legal requirement in any jurisdiction.

Restricted Territories

Subject to certain exceptions, the Rights Offer Shares may not be transferred or sold to, or renounced or delivered in, the Restricted Territories.

No offer of Rights Offer Shares is being made by virtue of the Rights Offer Circular into the Restricted Territories.

No person may forward or otherwise transmit the Rights Offer Circular to any territory other than where it is lawful to make the Rights Offer contemplated in the Rights Offer Circular.

Although letters of allocation may be credited to the CSDP or Broker accounts of qualifying Dematerialised Shareholders:

- with a registered address, or resident, in one of the Restricted Territories;
- in the United States of America; or

with a registered address, or who hold on behalf of persons located in the United States of America, or who hold on behalf of any person on a non-discretionary basis who is in the United States of America, or any state of the United States of America, such crediting of letters of allocation does not constitute an offer to restricted Shareholders and restricted Shareholders will not be entitled to take up or transfer Rights in the Rights Offer or acquire Rights Offer Shares in the Rights Offer unless such action would not result in the contravention of any registration or other legal requirement in any jurisdiction.

Subject to certain exceptions, Jasco Shareholders with a registered address in the Restricted Territories will be treated as unexercising holders. The Rights in terms of the Rights Offer are non-renounceable and are not transferable. As a result, such applicable Rights will not be sold by the Transfer Secretaries on behalf of any unexercising holders. To the extent that foreign Jasco Shareholders are not entitled to participate in the Rights Offer, as result of being resident in a Restricted Jurisdiction, such foreign Jasco Shareholders should not take up their Rights in terms of the Rights Offer and should allow their Rights to lapse.

4.9 South African law

All transactions arising from the provisions of this Rights Offer Circular and the accompanying Form of Instruction shall be governed by and be subject to the laws of South Africa.

4.10 Tax consequences

Shareholders are advised to consult their professional advisers regarding the tax implications of the Rights Offer.

4.11 Documents of Title

4.11.1 Certificated Shareholders receiving new Certificated Shares must note that they will not be able to trade such Shares on the JSE until these Shares have been Dematerialised, which could take between 1 (one) and 10 (ten) days, depending on the volumes being processed at the time.

4.11.2 Dematerialised Shareholders will have their accounts updated at their CSDP or Broker in respect of the Rights Offer Shares to be issued to them on or about Wednesday, 9 February 2022.

CSDPs will effect payment on a “delivery versus payment basis” in respect of the holders of Dematerialised Shares.

5. JSE LISTINGS

The Issuer Regulation Division of the JSE has approved the listings of a maximum of 157 142 857 Rights Offer Shares with effect from the commencement of trade on Monday, 7 February 2022.

6. APPLICATION OF THE PROCEEDS FROM THE RIGHTS OFFER

The net expected proceeds of the Rights Offer, being a maximum of R55 million, will be applied to the settlement of the Jasco Corporate Bond of R20 million, the further reduction of the Working Capital Facility of a minimum of R10 million and the remainder of maximum R25 million will be reserved for ongoing general working capital requirements including but not limited to inventory investments in Communication Solutions and Electrical Manufacturers, project rollouts and related trade creditors in Security & Fire Safety and other operational costs (for example debt restructuring costs, corporate action costs and related professional services and consulting fees).

7. SHARE CAPITAL

The authorised and issued Share capital of Jasco, at the last practicable date is set out below:

	R
Authorised	
750 000 000 Ordinary Shares of no par value	–
Issued Share capital before the Rights Offer	
229 319 191 Ordinary Shares of no par value*	82 554 909
Less: 7 522 358 treasury Shares	(2 708 049)
	79 846 860

**Market Value as at last practicable date calculated at 36 cents per share*

The authorised and issued Share capital of Jasco after the issue of the 157 142 857 Rights Offer Shares is set out below:

	R
Authorised	
750 000 000 ordinary Shares of no par value	–
Issued Share capital after the Rights Offer	
386 462 048 Ordinary Shares of no par value*	138 126 337
Less: 7 522 358 treasury Shares	(2 708 049)
	136 418 288

** Market Value as at last practicable date calculated at 36 cents per share.*

Note:

Jasco currently has 7 522 358 treasury Shares in issue, owned by the Jasco Employee Share Incentive Trust. The Trust will not follow its rights in terms of the Rights Offer.

The Company has 29 884 633 authorised redeemable preference shares, of which none are in issue and which will not be affected by the Rights Offer.

8. ESTIMATED EXPENSES

There have been no preliminary expenses incurred by Jasco in the three years immediately preceding the date of this Rights Offer Circular. It is estimated that Jasco's expenses relating to the Rights Offer will amount to approximately R1 million. The expenses (excluding VAT) relating to the Rights Offer are detailed below:

Nature of expense	Party	Rand
TRP approval fee	TRP	50 000
TRP Waiver Circular Printing, publication and distribution	Ince	111 691
JSE documentation fee – TRP Waiver Circular	JSE Limited	17 457
JSE documentation inspection fee	JSE Limited	31 422
JSE listing fee	JSE Limited	97 671
Printing, publication and distribution	Ince	111 691
Corporate Advisor and Sponsor	Grindrod Bank Limited	550 000
Transfer Secretaries	JSE Investor Services	10 000
Other	Various	20 068
Total		1 000 000

9. MAJOR SHAREHOLDERS

Insofar as is known to the Directors of Jasco, on the last practicable date, the Shareholders directly or indirectly beneficially interested in 5% or more of the issued capital of Jasco are as set out in the table below:

Name	Number of shares beneficially held	Percentage shareholding
CIH	74 564 384	32.52
Goldsol	49 995 754	21.80
Carla Maria Ferreira	13 418 995	5.85
TMM	10 031 625	4.37
Total	148 010 758	64.54

There is currently no controlling Shareholder of the Company. There has not been a change in the controlling Shareholder of the Company or the trading objects of the Company during the five years preceding the date of this Rights Offer Circular.

Following the Rights Issue, it is expected that CIH will become a controlling Shareholder as it will breach the 35% threshold in terms of the Takeover Regulations.

10. DIRECTORS

10.1 Directors' Remuneration

There will be no variation in the remuneration to be received by any of the Directors as a consequence of the Rights Offer.

The Company's remuneration committee considers and recommends fees for non-executive directors after taking into account duties performed and market trends. Non-executive directors receive a fixed remuneration for their services based on their participation in Board meetings and other committees. Non-executive directors do not receive incentive bonus payments nor do they participate in the group's Share Incentive Scheme.

As at the last practicable date, no contracts exist as regards the provision of any secretarial, technical services or restraint payments payable by Jasco or any of its subsidiaries of a material nature.

10.2 Directors' Interest in Jasco Shares

As at 30 June 2021, the Directors and their associates (as defined in terms of the Listings Requirements), including Directors who have resigned in the last 18 months, had the following direct and indirect beneficial interest in the share capital of the Company:

Director	Direct beneficial			Indirect Beneficial			Total		Total %
	2020	2021	Current %	2020	2021	Current %	2020	2021	2021
MSC Bawa	50 509	50 509	0.02	4 010 170	4 010 170	1.75	4 060 679	4 060 679	1.77
AMF da Silva	1 070 500	1 070 500	0.47	–	–	–	1 070 500	1 070 500	0.47
WA Prinsloo	25 000	25 000	0.01	–	–	–	25 000	25 000	0.01
MJ Madungandaba	–	–	–	42 998 052	42 998 052	18.75	42 998 052	42 998 052	18.75
ATM Mokgokong	–	–	–	31 566 332	31 566 332	13.76	31 566 332	31 566 332	13.76
Total	1 146 009	1 146 009	0.5	78 574 554	78 574 554	34.26	79 720 563	79 720 563	34.76

Mr AMF (Pete) da Silva acted as a non-executive director, until 15 July 2019, when his status changed to alternate non-executive director to Mr JM Madungandaba.

No share options were issued during the year ended 30 June 2021, nor between 30 June 2021 to the last practicable date of this Rights Offer Circular.

As at the last practicable date of this Rights Offer Circular, no changes to these holdings have occurred.

Directors dealings as a result of the Rights Offer

Apart from JM Madungandaba and Dr ATM Mokgokong's whose indirect interests are held through the CIH group as detailed in paragraph 4.3.1 and MSC Bawa whose indirect interests are held through Harvibase, the other Directors, as set out above, will not be following their respective rights in terms of the Rights Offer.

The decisions by the CIH group and Harvibase to commit to the Rights Offer, as detailed in paragraph 4.3.1, was taken subsequent to 14 September 2021 when the Rights Offer was approved by the Board. The clearance for the CIH group and Harvibase to follow the respective rights in terms of the Rights Offer and for the CIH group to underwrite the Rights Offer was granted in November 2021 and discussed, agreed and confirmed at the board meeting held on 23 November 2021.

Parmtro Investments no 76 Proprietary Limited an associate of Dr ATM Mokgokong and part of the CIH group, confirmed its verbal commitment detailed in 4.3.5 above on 31 December 2021, following discussions during December 2021. Clearance for the participation was granted accordingly, prior to the current closed period which commenced on 1 January 2022.

Shareholders are referred to the dealings by associates of directors announcement that was released on SENS on Monday, 17 January 2022.

10.3 Directors' Interests in Transactions

Other than the expected settlement of the Jasco Corporate Bond, none of the Directors of Jasco, including Directors who have resigned in the 18 months prior to this Rights Offer Circular, have any material direct or indirect beneficial interest in any transaction that was effected by the Jasco Group during the current, immediately preceding financial year or earlier financial year, which remains in any respect outstanding or unperformed.

10.4 Directors' Information

The executive and non-executive Directors and management of the Jasco Group, whose details are set out in the Rights Offer Circular will not change as a result of the Rights Offer.

11. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors, whose names are set out in the "Corporate information and advisers" section of this Rights Offer Circular, collectively and individually, accept full responsibility for the accuracy of the information contained in this Rights Offer Circular and certify that, to the best of their knowledge and belief that there are no facts that have been omitted which would make any statement false or misleading, and that all reasonable enquiries to ascertain such facts have been made and that this Rights Offer Circular contains all information required by law and the Listings Requirements.

12. MATERIAL LOANS AND BORROWINGS

Details of the material loans and borrowings of the Jasco Group are set out in Annexure 4 of this Rights Offer Circular.

13. MATERIAL RISK

The material risks include:

- Financial risks
 - The gearing levels and the ability to service debt;
 - The failure to meet the financial covenants of the Working Capital Facility;
 - The demand of the underperforming business units on the group's cash position due to the loss of trade debtors insurance cover impacting access to trade finance from key suppliers;
 - Lease commitments, which is currently the second largest obligation for the Jasco Group; and
 - Further weakening of the group's credit rating.
- Operating and strategic risks;
 - Ongoing impact of Covid-19-related lockdowns on key business operations;
 - A downgrade in the B-BBEE rating below the current Level 3 rating; and
 - Retention of key skills and investment in skills training.

Further information regarding the assessment and operational impacts of Covid-19 and the Material Risks and the mitigating actions can be found on pages 6 to 9 and page 19 of the Integrated Annual Report for the year ended 30 June 2021, available on the website www.jasco.co.za.

More disclosure on the lease commitments can be found in the audited Annual Financial Statements for the year ended 30 June 2021, available on the website www.jasco.co.za.

14. CONSENTS

The Underwriter, Corporate Advisor and Sponsor, Company Secretary and Transfer Secretaries to Jasco have given and have not, prior to the last practicable date, withdrawn their written consents to the inclusion of their names and, where applicable, their reports in the form and context in which they appear in this Rights Offer Circular.

15. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents will be available for inspection at the registered offices of Jasco and the corporate advisors during normal business hours (excluding Saturdays, Sundays and public holidays) from the date of issue of this Rights Offer Circular up to the last practicable date of this Rights Offer Circular. Shareholders can request electronic copies of the documents from the Company Secretary at company.secretary@jasco.co.za:

- the MOI of Jasco and its major subsidiaries;
- the audited consolidated financial statements of Jasco for the financial years ended 30 June 2021, 30 June 2020 and 30 June 2019;
- the Annual Integrated Report for the financial year ended 30 June 2021;
- copies of the Underwriting Agreement;
- copies of the Irrevocable Undertakings;
- copies of any service agreements with Directors, managers, secretaries, Underwriter, vendors and promoters entered into during the last three years;
- written consents of Transfer Secretaries and Corporate Advisor and Sponsor to the inclusion of their names in this Rights Offer Circular in the context and form in which they appear;
- a resolution of the Board authorising the Rights Offer and the signing of this Rights Offer Circular;
- a signed copy of the TRP Waiver Circular; and
- a signed copy of this Rights Offer Circular and the Form of Instruction.

By order of the Board

JASCO ELECTRONICS HOLDINGS LIMITED

Warren Prinsloo
Chief Executive Officer

Midrand
18 January 2022

Registered office

Corner Alexandra Avenue and 2nd Street
Midrand
1685
(PO Box 860, Wendywood, 2144)

TABLE OF ENTITLEMENT

The number of Rights Offer Shares to which Qualifying Shareholders will be entitled is set out below, based on 68.52582 Rights Offer Shares for every 100 Jasco Shares held. Shareholders' Rights Offer Entitlements will be rounded up or down, as appropriate with fractions of 0.5 and above being rounded up and fractions below 0.5 being rounded down to the nearest whole number resulting in allocations of whole numbers of Rights Offer Shares, in accordance with the Listings Requirements.

<i>Number of Jasco Shares held</i>	<i>Number of Rights Offer Shares to which a Jasco Shareholder is entitled</i>	<i>Number of Jasco Shares held</i>	<i>Number of Rights Offer Shares to which a Jasco Shareholder is entitled</i>	<i>Number of Jasco Shares held</i>	<i>Number of Rights Offer Shares to which a Jasco Shareholder is entitled</i>	<i>Number of Jasco Shares held</i>	<i>Number of Rights Offer Shares to which a Jasco Shareholder is entitled</i>
1	0,68526	34	23,29878	67	45,91230	100	68,52582
2	1,37052	35	23,98404	68	46,59756	200	137,05164
3	2,05577	36	24,66930	69	47,28282	300	205,57746
4	2,74103	37	25,35455	70	47,96807	400	274,10328
5	3,42629	38	26,03981	71	48,65333	500	342,62910
6	4,11155	39	26,72507	72	49,33859	600	411,15492
7	4,79681	40	27,41033	73	50,02385	700	479,68074
8	5,48207	41	28,09559	74	50,70911	800	548,20656
9	6,16732	42	28,78084	75	51,39437	900	616,73238
10	6,85258	43	29,46610	76	52,07962	1 000	685,25820
11	7,53784	44	30,15136	77	52,76488	2 500	1 713,14550
12	8,22310	45	30,83662	78	53,45014	5 000	3 426,29100
13	8,90836	46	31,52188	79	54,13540	7 500	5 139,43650
14	9,59361	47	32,20714	80	54,82066	10 000	6 852,58200
15	10,27887	48	32,89239	81	55,50591	25 000	17 131,45500
16	10,96413	49	33,57765	82	56,19117	50 000	34 262,91000
17	11,64939	50	34,26291	83	56,87643	75 000	51 394,36500
18	12,33465	51	34,94817	84	57,56169	100 000	68 525,82000
19	13,01991	52	35,63343	85	58,24695	250 000	171 314,55000
20	13,70516	53	36,31868	86	58,93221	500 000	342 629,10000
21	14,39042	54	37,00394	87	59,61746	750 000	513 943,65000
22	15,07568	55	37,68920	88	60,30272	1 000 000	685 258,20000
23	15,76094	56	38,37446	89	60,98798	2 500 000	1 713 145,50000
24	16,44620	57	39,05972	90	61,67324	5 000 000	3 426 291,00000
25	17,13146	58	39,74498	91	62,35850	7 500 000	5 139 436,50000
26	17,81671	59	40,43023	92	63,04375	10 000 000	6 852 582,00000
27	18,50197	60	41,11549	93	63,72901	100 000 000	68 525 820,00000
28	19,18723	61	41,80075	94	64,41427		
29	19,87249	62	42,48601	95	65,09953		
30	20,55775	63	43,17127	96	65,78479		
31	21,24300	64	43,85652	97	66,47005		
32	21,92826	65	44,54178	98	67,15530		
33	22,61352	66	45,22704	99	67,84056		

SHARE PRICE HISTORY OF JASCO

The highest, lowest and closing price of the Shares of Jasco on the JSE for each day over the 30 business days preceding the last practicable date and for each month over the 12 months prior to the last practicable date, are set out below:

Date	High (cents)	Low (cents)	Close (cents)	Value (Rand)	Volume (shares)
Month Ended					
31 January 2021	18	0	14	340 998	2 347 956
28 February 2021	18	14	17	465 554	2 992 338
31 March 2021	21	0	20	518 160	2 870 217
30 April 2021	54	21	42	2 248 901	5 936 989
31 May 2021	48	0	47	1 196 532	2 661 666
30 June 2021	47	32	38	1 344 251	3 506 288
31 July 2021	44	0	43	890 238	2 369 720
31 August 2021	43	0	38	1 023 092	2 823 126
30 September 2021	40	0	36	1 093 714	2 935 232
31 October 2021	39	0	39	671 225	1 820 995
30 November 2021	39	0	36	852 637	2 371 430
31 December 2021	36	0	36	799 042	2 452 120
Day ended					
26 November 2021	35	30	38	43 719	126 000
29 November 2021	35	31	39	23 152	66 000
30 November 2021	36	31	39	62 389	185 579
1 December 2021	0	0	39	0	0
2 December 2021	36	32	38	33 672	100 000
3 December 2021	35	32	37	84 400	260 000
6 December 2021	35	33	38	11 214	32 923
7 December 2021	36	32	35	30 087	86 714
8 December 2021	35	32	38	16 498	50 000
9 December 2021	35	30	37	1 715 513	550 921
10 December 2021	34	31	38	54 300	170 000
13 December 2021	34	31	37	87 777	279 026
14 December 2021	0	0	34	0	0
15 December 2021	33	31	33	51 800	160 000
17 December 2021	34	30	34	100 182	309 416
20 December 2021	36	31	31	55 207	160 000
21 December 2021	36	31	35	31 174	92 687
22 December 2021	36	35	36	31 890	90 000
23 December 2021	0	0	36	0	0
24 December 2021	36	32	36	7 851	21 922
28 December 2021	0	0	36	0	0
29 December 2021	36	36	36	18 000	50 000
30 December 2021	36	32	36	2 763	8 511
31 December 2021	36	35	36	10 714	30 000
3 January 2021	38	36	38	45 325	122 500
4 January 2021v	38	36	38	5 150	13 611
5 January 2021	36	35	36	52 836	149 823
6 January 2021	36	35	36	162 239	463 216
7 January 2021	36	33	36	154 633	439 900
10 January 2021	36	35	36	11 968	33 800

Source: Expert INET BFA

INFORMATION ON THE UNDERWRITER

The Rights Offer is underwritten by CIH. Details pertaining to the CIH as required by the Listings Requirements are set out below:

1. **Nature of business:**
CIH is an investment holding company.
2. **Directors and executive management:**
Dr ATM Mokgokong
MJ Madungandaba
3. **Company secretary**
No company secretary appointed.
4. **Date and place of incorporation**
19 July 1995, Pretoria
5. **Registered office**
Building 3, Ashlea Gardens Office Park,
180 Garsfontein Road,
Ashlea Gardens,
0181, Pretoria
6. **Auditors**
PricewaterhouseCoopers Inc.
7. **Bankers**
Investec Bank Limited
Rand Merchant Bank, a division of FirstRand Bank Limited
The Standard Bank of South Africa Limited
8. **Authorised share capital:**
1 000 ordinary shares
9. **Issued share capital**
200 ordinary shares

MATERIAL LOANS AND BORROWINGS

Details of the material loans and borrowings of the Jasco Group as at 30 June 2021 and the last practicable date are set out below:

Interest-bearing liabilities of Jasco

	30 June 2021 R000	31 December 2021 R000
Interest-bearing liabilities		
Secured		
Corporate bond	152 224	151 910
Term loan: Working Capital Facility	20 197	20 232
	131 038	131 108
Principal amounts owing in respect of instalment sale agreements	989	570
– Gross minimum lease payments	1 120	669
– Finance charges	(131)	(99)
Total	152 224	151 910
Current portion transferred to short-term borrowings	(152 224)	(37 621)
– Instalment sale agreements	(784)	(489)
– Jasco Corporate Bond	(20 197)	(20 232)
– Term loan Working Capital Facility	(131 038)	(16 900)
Non-current	205	114 289

There were no changes between 31 December 2021 and the last practicable date.

Particulars

The Jasco Corporate Bond was issued on 30 January 2015, bears interest at the three-month month JIBAR plus 3.25%. Interest is repaid quarterly and the entire capital plus any accrued interest is repayable by 31 July 2021. CIH acquired R20 million of the Jasco Corporate Bond promissory notes from the previous bond holder, TMM in February 2021.

Under the Jasco Corporate Bond, the group is required to comply with the following financial covenant conditions:

- Interest cover ratio being EBIT divided by net finance charges at minimum of 2.0 times. 2021: (0.50) (2020: 3.06).
- Debt to EBITDA ratio at a maximum of 3.5 times. 2021: 2.53 (2020: 5.55).
- Debt to equity ratio, being debt divided by equity, at a maximum of 60%. 2021: 315.5% (2020: 307.8%)

The Jasco Corporate Bond holder condoned the breach of the loan covenants subsequent to the year-end, noted above, at 30 June 2021. Furthermore the maturity date was extended to 31 January 2022 by CIH.

The Working Capital Facility of R150 million from the Bank of China was raised on 13 May 2017 and decreased to R130 million on 27 February 2021. The loan is secured by a cession of the debtors of the major subsidiaries of the group and bears interest at the three-month JIBAR plus 330 basis points, which is payable on a quarterly basis. The capital is repayable in one instalment by 27 December 2021.

Subsequent to the year-end, the Working Capital Facility was restructured to a term loan of 36 months to be repaid monthly, by 28 December 2024 for a fee of 0.5% of the Working Capital Facility. In addition, the interest rate has been increased by 1,5% and an unsecured guarantee of R20 million has been issued in favour of the Bank of China by Golden Pond Trading 175 Proprietary Limited, that will expire on conclusion of the Rights Offer. The facility will be partially settled with a payment of R10 million using the proceeds of the Rights Offer, and the balance, to be repaid through monthly repayments, will be settled using the cash flows generated by the operating activities.

Under the Working Capital Facility, the group is required to comply with the following financial covenant conditions:

- Debt to equity ratio to not exceed a level of 150%. 2021: 319% (2020: 344%).
- Current and quick ratios not to reduce below 1.2:1 and 0.80:1 respectively. 2021: 1.6 and 1.0 (2020: 1.3 and 0.9).
- Interest cover to be maintained at a minimum of 1.5 times. Profit before interest and tax divided by net finance costs. 2021: (0.9) (2020: 1.7).
- Debtors in 0 – 90 days to provide 120% cover on the outstanding Working Capital Facility balance at all times. 2021: 62% (2020: 90%).

The Bank of China has condoned the breach of the loan covenants at 30 June 2021 subsequent to the year-end. However, due to the restructure of the facility being concluded after 30 June 2021, the related borrowings was reclassified as a current liability at 30 June 2021. The financial covenants for the restructured Working Capital Facility remains the same.

The instalment sale agreements bear interest at the prime overdraft interest rate, and are repayable in equal instalments over periods between one to three years. These liabilities are secured over motor vehicles and equipment with a net book value of R2 082 226 (2020: R17 775 933).

RECENT CATEGORY 2 TRANSACTION

The details of the Disposal of Jasco's Property Technology Management Division as announced on SENS on 3 June 2021 is set out below:

1. INTRODUCTION

Shareholders are advised that Jasco, through its wholly owned subsidiary Jasco Networks Proprietary Limited (the "Seller"), have entered into a Sale of Business Agreement ("Disposal Agreement") with Reach Group Proprietary Limited (the "Purchaser" or the "Reach Group") through which the Purchaser will acquire, the business of professional ICT infrastructure management services, in the Property Technology Management division ("PTM") from the Seller, for a total transaction consideration of R7 500 000 (the "Disposal Consideration").

2. BACKGROUND TO PTM

PTM was a start-up business in 2013 when Mark Swemmer ("Swemmer") together with his consultancy company Wi-Cloud Proprietary Limited ("Wi-Cloud") had started consulting to Jasco, who had the adequate know-how and access to property owners and managers nationally. Combining Swemmer's property management experience with Jasco's design, planning, installation and managing of ICT infrastructure and converged solutions, which allowed landlords access to a turnkey solution. The PTM start-up venture formed part of the Seller and Jasco saw the potential to gain access to buildings and landlords in order to upsell other Jasco Group products and services. To date very little and few opportunities however came about for other Jasco Group lines of business.

Today the PTM business is a professional services business that enables property owners to leverage their existing rooftops, enhance their alternate revenue streams and offer a complete turnkey ICT Infrastructure management solution to landlords and property managers typically focused on rooftops and outdoor areas of buildings.

The PTM service includes lease management, infrastructure database and site audit, energy consumption, labelling schemes, installation authorisation procedures, quality control, aesthetics, health and safety, regulatory compliance, rooftop container management, cellular operator towers and masts, as well as cabling. Furthermore, PTM also evaluates each new installation proposal in accordance with that site specific ICT infrastructure roll out plan.

The PTM business currently manages more than 650 properties across South Africa and is a very administratively intensive business. The PTM business headcount is currently six, with three employees employed by Jasco and the rest through Wi-Cloud.

3. BACKGROUND TO THE PURCHASER

The Reach Group was established by Mark Swemmer with his vast experience in property development, ownership and management, coupled with his telecommunications legal background and along with his dynamic team of specialists. Swemmer approached Jasco to initiate a management buy-out of the PTM business as a going concern together with his group owned companies, namely Wi-Cloud Proprietary Limited, Blue Nightingale Properties Proprietary Limited and Twoline Trading 529 Proprietary Limited (the "Parties"), which subsequently led to the Sale of Business Agreement that has been entered into between Jasco, the Purchaser and the Parties.

The Reach Group is a specialist company that provides communications infrastructure management solutions throughout South Africa to landlords, property managers and telecoms providers that enable landlords to optimise their alternative leasing areas and telecoms service providers to extend their coverage to drive business success.

4. **BACKGROUND AND RATIONALE FOR THE DISPOSAL**

The PTM business model has become stale to Jasco and a non-core business unit, leading to threats of insourcing and continuous price reduction pressures from clients and increased administrative burden of the business.

The PTM business is increasingly under pricing pressures from the major property companies in the current environment where their traditional gross lettable area ("GLA") rental income is under severe pressures.

The business model differs from the Group's Hi-Sites and Property Solutions business in that PTM does not lease the rooftops for its own purposes of securing multiple customers on each site. PTM is a professional lease management business which charges management and service fees whereas Jasco's Hi-Sites and Property Solutions is an infrastructure owning business generating its own rental streams. Jasco will retain access to the PTM rooftop sites through the Property Solutions business in order to take advantage of the expected 5G rollout as more spectrum is released to the mobile network operators.

Jasco, as the technology partner, will enter into strategic agreements with the Reach Group and Wi-Cloud who in turn will provide marketing and lease administration services to Jasco.

The administrative demand of the lease order book has grown substantially in recent years (2017 to 2019) which has increased the cost of the overhead resources in recent financial years, therefore the PTM business is more susceptible to a lack of profitability when revenue reduces sharply as was the case in the 2020 financial year.

The PTM business is highly dependent on one individual, namely Mark Swemmer, and the proposed disposal and strategic agreement will ensure the sustainability of the PTM business in the future.

5. **KEY TERMS OF THE DISPOSAL**

5.1 Disposal Agreement

The key terms, Disposal Consideration, conditions precedent and effective date of the Disposal Agreement are detailed below:

5.1.1 Key terms

The PTM business is to be acquired by the Purchaser, which is a professional ICT infrastructure management services business, focused on rooftops, towers and outdoor areas, which includes lease management, infrastructure database and site audit, energy consumption, labelling schemes, installation authorisation procedures, quality control, aesthetics, health and safety, regulatory compliance, rooftop container management, cellular operator towers and masts, as well as cabling, which currently has approximately 650 properties under management; and which is conducted as a going concern (the "Business").

5.1.1.1 Sale Assets

The sale assets consist of the following:

- all contracts in respect of or relating to the Business in existence as at the Effective Date and which shall include without limitation all material contracts, customer contracts, lease agreements, credit agreements, unexecuted or partially executed orders and tenders (whether they are awaiting adjudication or in respect of which contracts have been awarded) as specifically detailed in the Disposal Agreement and including the existing order book ("Contracts");
- those fixed assets owned and used by the Seller in connection with the Business as at the effective date as reflected in the Disposal Agreement ("Fixed Assets");
- all goodwill in and relating to the Business as at the effective date ("Goodwill"); and

- all right, title and interest in and to any copyright, provisional or complete patents, registered or pending designs, licences, registered or unregistered trademarks and trading names, registered domain names, all services, marketing, design and report templates, process and operational designs, commercial models, emails and digital files, storage, current databases of all audits, tenants and building information, all agreement templates (including but not limited to service and lease agreements), and any information or technical know-how owned or used in connection with the Business and its operation as at the Effective Date, at all times subject to the “Jasco” name being excluded (“Intellectual Property”);

(Together the “Sale Assets”)

5.1.1.2 Retained Assets

The Disposal Agreement, specifically excludes:

- Debtors to the value of R1 038 769;
- Loans receivables of R386 165;
- Cash in the bank of R182 569; and
- Other assets of R134 459.

5.1.1.3 Liabilities

The liabilities transferred consist of the following:

- Leave pay due to the employees transferred to the Purchaser of R68 620.

The Disposal Agreement contains legal warranties and indemnities which are considered normal in respect of a transaction of this nature.

5.1.2 Services Agreement

Jasco Property Solutions Proprietary Limited (“JPS”) and Wi-Cloud will enter into a new written services agreement in terms which Wi-Cloud will continue to provide property management and support services to JPS on terms which are acceptable to Wi-Cloud, JPS, the Purchaser and the Seller (“Services Agreement”).

5.1.3 The Disposal Consideration

The disposal consideration payable by the Purchaser to the Seller in respect of the Business is a maximum of R7 500 000 (“Disposal Consideration”).

Payment of the Disposal Consideration is subject to the Seller performing all its obligations under the Disposal Agreement required to be performed by it, by 5 business days after the fulfilment or waiver of the Conditions precedent detailed in paragraph 5.1.4 below (the “Closing Date”) and will be discharged as follows:

- R3 000 000.00 by no later than Monday, 7 June 2021 (“Execution Payment”), provided that should this Agreement not become unconditional, the Execution Payment will be refunded to the Purchaser within 30 days of written demand from the Purchaser together with any pro-rata interest earned, charged at the prime lending rate of South Africa plus 2% (two percent) calculated from the Execution Payment date until repayment date;
- R3 000 000.00 by no later than seven days after the Closing Date (Closing Date Payment);
- R500 000.00 by no later than 30 days after receipt by the Seller of the April 2022 audited Financial Statements (First Tranche Payment);
- R500 000.00 by no later than 30 days after receipt by the Seller of the April 2023 audited Financial Statements (Second Tranche Payment); and
- R500 000.00 by no later than 30 days after receipt by the Seller of the April 2024 audited Financial Statements (Third Tranche Payment).

The First Tranche Payment will only be payable, if the Purchaser achieves a targeted annual revenue, for the period commencing on 1 May 2021 and ending on 30 April 2022, of R7 million or more.

The Second Tranche Payment will only be payable, if the Purchaser achieves a targeted annual revenue, for the period commencing on 1 May 2022 and ending on 30 April 2023, of R7 million or more.

The Third Tranche Payment will only be payable, if the Purchaser achieves a targeted annual revenue, for the period commencing on 1 May 2023 and ending on 30 April 2024, of R7 million or more.

The Disposal Consideration will be paid by the Purchaser to the Seller in cash.

The sale proceeds will be utilised by Jasco to fund working capital requirements related to new project rollouts in the Communications and Intelligent Solutions businesses.

5.1.4 Conditions Precedent

The Disposal Agreement, is subject to the fulfilment of the following conditions precedent by no later than the dates and times set out below or such later date as is agreed in writing by the parties:

- by no later than 30 July 2021, a cession and delegation of the Material Contracts to the Purchaser with effect from the effective date or in the alternative the Purchaser concluding a new contract with the other party/ies to each of the Material Contracts upon terms acceptable to the Purchaser in substitution for the relevant existing Material Contract;
- by no later than 30 July 2021, the execution of the Services Agreement between the parties thereto, which Services Agreement will be conditional in all respects upon the fulfilment or waiver, as the case may be, of the conditions precedent in this Agreement, and will take effect on the date upon which this Agreement takes effect; and
- by no later than the 30 July 2021, the execution of written agreements in terms of section 197(6) of the Labour Relations Act, 1995, between the parties and each of the relevant employees, in terms of which the employees contracts of employment will be transferred to Wi-Cloud in accordance with the provisions of the Disposal Agreement.

5.1.5 Effective date

The effective date was 1 May 2021. The conditions precedent were fulfilled. Jasco have received the both the Execution Payment and the Closing Date Payment as indicated in 5.1.3 above.

6. **PROFIT AND NET ASSET VALUE ATTRIBUTABLE TO PTM**

Shareholders are advised that net assets of the PTM division included in the audited annual financial statements of Jasco for the 12 months ended 30 June 2020, was -R75 000. The net operating profit after tax attributable to the net assets of PTM for the same period was R256 000. The audited annual financial statements for the 12 months ended 30 June 2020 were prepared in accordance with IFRS.

7. **CATEGORISATION OF THE DISPOSAL**

The Disposal constitutes a category 2 disposal in terms of the Listings Requirements of the JSE Limited, and is therefore not subject to Jasco Shareholder approval.

