



**Trans Switch Africa Holdings Ltd**

(Incorporated in the Republic of Mauritius)

(Registration number: C137962 C1/GBL)

Having its address at 7th Floor, NeXTeracom Building, Cybercity, Ebene 72201, Mauritius

(“Trans Switch Africa Holdings” or “TSAH” or “Trans Switch” or “the Company”)

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**SUBSTANTIAL TRANSACTION CIRCULAR WITH RESPECT TO THE ACQUISITION OF THE SHARES OF DIRECT TRANSACT GROUP PROPRIETARY LIMITED IN LINE WITH CHAPTERS 9 AND 13 OF THE LISTING RULES**

**Date: 11 September 2023**

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**THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION**

This Circular is not a prospectus and does not constitute an offer or invitation to any person to subscribe for shares in Trans Switch. The Circular has been prepared for the purpose of complying with the laws of Mauritius and the Stock Exchange Mauritius (‘SEM’) Listing Rules, more specifically Chapters 9 and 13 of the SEM Listing Rules.

**DISCLAIMER OF THE STOCK EXCHANGE OF MAURITIUS LIMITED**

The SEM does not assume any responsibility for the content of this document. The SEM makes no representation as to the accuracy or completeness of any of the statements made or opinions expressed in this Circular and expressly disclaims any liability whatsoever for any loss arising from or in reliance upon the whole or any part thereof.



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## Directors' Statements

This Circular includes particulars given in compliance with Chapter 13 for the purpose of a substantial transaction. The directors, whose names appear below, collectively and individually, accept full responsibility for the accuracy and completeness of the information contained in this Circular and confirm, having made all reasonable enquiries that to the best of their knowledge and belief there are no other facts the omission of which would make any statement herein misleading.

The Directors further declare that:

- ❖ after due enquiry by them, there has been no material adverse change in the financial position of Trans Switch since its last audited accounts for the period ended 30<sup>th</sup> June 2022 and its latest unaudited accounts for the period ended 31 March 2023;
- ❖ in their opinion, the working capital available to Trans Switch and its subsidiaries is sufficient for the group's present requirements, that is for at least the next twelve months from the date of issue of this Circular; and
- ❖ TSAH maintains a vision of creating value for stakeholders through consolidation of its underlying subsidiaries. The company expects a very positive contribution to its bottom line considering the acquisition of Direct Transact Group in the 2024 year"

Directors of Trans Switch Africa (**Annexure1** for more details on the directors);

Name	Role
Mr Vaughan Edward Heberden	Director
Mr Deva Marianen	Director
Mr Hendrik Petrus Barnhoorn	Director
Mrs Kim Tracy Setzkorn	Director



### Documents available for inspection

The following documents will be available for inspection at the Company's registered office, 7<sup>th</sup> Floor, NeXTeracom Building, Cybercity, Ebene 72201, Mauritius during normal business hours on any weekday (excluding Saturdays, Sundays and public holidays) for a period of 14 days from the date of this Circular.

- ▣ The original Circular, including the Accountant's Report; (Rule 13.17(c) and Rule 9.65(d))
- ▣ The Constitution of the Company; and
- ▣ The audited annual financial statements of the Company for the year ended 30 June 2022.



## 1. Background of Trans Switch Africa Holdings Ltd

1.1 The Company was incorporated and registered in Mauritius on the 21<sup>st</sup> of April 2016 and holds a category 1 Global Business License in accordance with the Mauritian Companies Act 2001 and the Mauritian Services Act 2007.

1.2 The Company's main shareholder is IT Novate Ltd which is held by ICT Africa Ventures Ltd which is a wholly owned subsidiary of Safyr Africa Holdings Ltd. The Shareholder of Safyr Africa Holdings Ltd is Safyr Group Holdings Ltd which is the holding company. The Company intends to focus and capitalise on the present opportunities that are available in Africa, initially focusing on Sub-Saharan African countries, and abroad.

1.3 The Company's strategy is to invest and/or to act as a catalyst in the consolidation of niche business providing managed outsourced account hosting, electronic transaction processing and ancillary services to the financial services industry. The opportunity is presented through a growing need to provide banking and financial services throughout Africa and Middle East especially when there is a lack of appropriate local infrastructure and back-end/process capabilities to do so.

1.4 The Company was listed on the Stock Exchange of Mauritius (SEM) on the 06 February 2018. On 8 November 2016, the Company applied to the SEM for the listing of up to 50 Million ordinary shares on the Official Board of the SEM as follows:

- ❖ Listing of up to 22 Million Ordinary Shares by way of introduction/private placement which were already issued by TSAH; and
- ❖ A further issue and listing of 28 Million Ordinary Shares as a private placement specifically dedicated to future potential acquisitions which the Company had already targeted post listing on SEM.

1.5 On 19 January 2018, the SEM gave its approval for the listing of up to 22 Million shares and instructed that the Company make an subsequent application for the issue and listing of further shares which will be used to fund the acquisition of potential targets.

1.6 As at the date of this Circular, the stated capital of TSAH amounts to USD 22,000,100 consisting of 22,000,00 fully paid ordinary shares and 100 unpaid shares.



## 2. Background of the Transaction

2.1 Pursuant to the Business Plan, Trans Switch's business objective is to undertake certain strategic acquisitions.

2.2 Consequently, Trans Switch has identified an acquisition being 100% of shares of Direct Transact Group Proprietary Ltd (the '**Transaction**'). Details on Direct Transact Group Proprietary Ltd is presented in this document.

2.3 The shares of Direct Transact Group Proprietary Ltd ("**Direct Transact**") have been valued at USD 25,000,000 (Twenty five million United States Dollars).

2.5 The consideration for acquiring the shares of Direct Transact (Approximately USD 25,000,000) represents more than 50% of the value of the equity capital already in issue (USD 22,000,000) the Transaction is a substantial transaction as per Rule 13.9 (d) and requires to be notified to the Stock Exchange of Mauritius (SEM).



### 3. Statutory information of Trans Switch Africa Holdings Ltd

**Registered office and postal address of the company**

Safyr Utilis Ltd  
7th Floor, Tower 1, NeXTeracom,  
Cybercity, Ebene 72201,  
Mauritius

**Mauritian Company Administrator, Company Secretary, Registrar and Transfer Agent**

Safyr Utilis Ltd  
7th Floor, Tower 1, NeXTeracom,  
Cybercity, Ebene 72201,  
Mauritius

**Mauritian Bankers**

The Mauritius Commercial Bank Ltd  
9-15 Sir William Newton Street,  
Port Louis,  
Mauritius

**SEM Authorised Representative**

Safyr Capital Partners Ltd  
11th Floor, Bramer House,  
Cybercity, Ebene,  
Mauritius

**Independent Financial Advisors**

Lancasters Chartered Accountants  
Lavoquer Street  
Port-Louis  
Mauritius

**Legal Advisor as to Mauritian Law**

Eversheds Sutherlands Mauritius  
Suite 310  
3<sup>rd</sup> Floor Barkly Warf  
Le Caudan Waterfront  
Port Louis 11307  
Mauritius

**Auditors**

BDO Mauritius  
10, Frere Felix De Valois St,  
Port Louis  
Mauritius



#### 4. Directors' Remunerations

The remuneration and benefits (in USD) paid by TSAH to its directors in their capacity as directors (or in any other capacity) for the financial year ending 30 June 2022 are set out in the table below. The estimate of the aggregate remuneration payable to the director for the financial year 2023 is also set out below.

Name	Role	2022 Amount (USD)	FY 2023 Estimate Amount (USD)
Mr Vaughan Edward Heberden	Director	10,000	10,000
Mr Deva Marianen	Director	1,200	1,200
Mr Hendrik Petrus Barnhoorn	Director	10,000	10,000
Mrs Kim Tracy Setzkorn	Director	10,000	10,000

#### 5. Statement of interest of directors in Trans Switch Africa Holdings

SAFYR Group Holdings Ltd indirectly holds shares in the capital of the Company's stated capital. As at the last practicable date, save for Mr. Deva Marianen, being the 80% shareholder of SAFYR Group Holdings Ltd, none of the other directors of Trans Switch Africa (including directors who have resigned in the last 18 months), are, directly or indirectly, beneficially interested in Trans Switch shares in issue.

#### 6. Directors' Service Contracts

There are currently no service contracts in existence between the TSAH and any of its directors in their personal capacity, nor are any such contracts proposed. There is currently no contract or arrangement to which TSAH is a party in which a director of TSAH is materially interested.

#### 7. Legal or arbitration proceedings

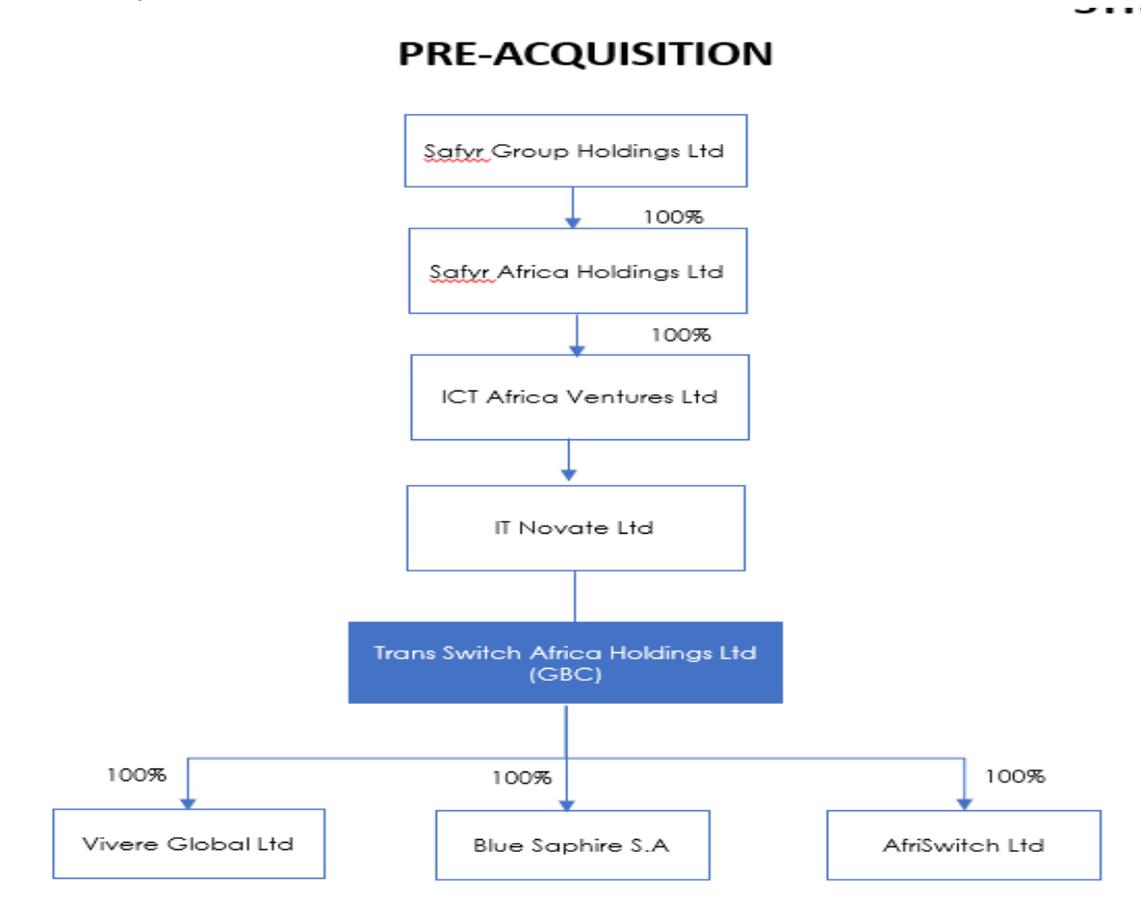
As far as the directors are aware, the company is not engaged or involved in any litigation, administrative, arbitration or other proceedings, claims, actions or hearings, or any dispute with, or investigation, inquiry, enforcement proceedings by any governmental, regulatory or similar body. Furthermore, no proceedings have been threatened or are pending by or against Trans Switch Africa and there are no circumstances that are likely to give rise to such proceedings.



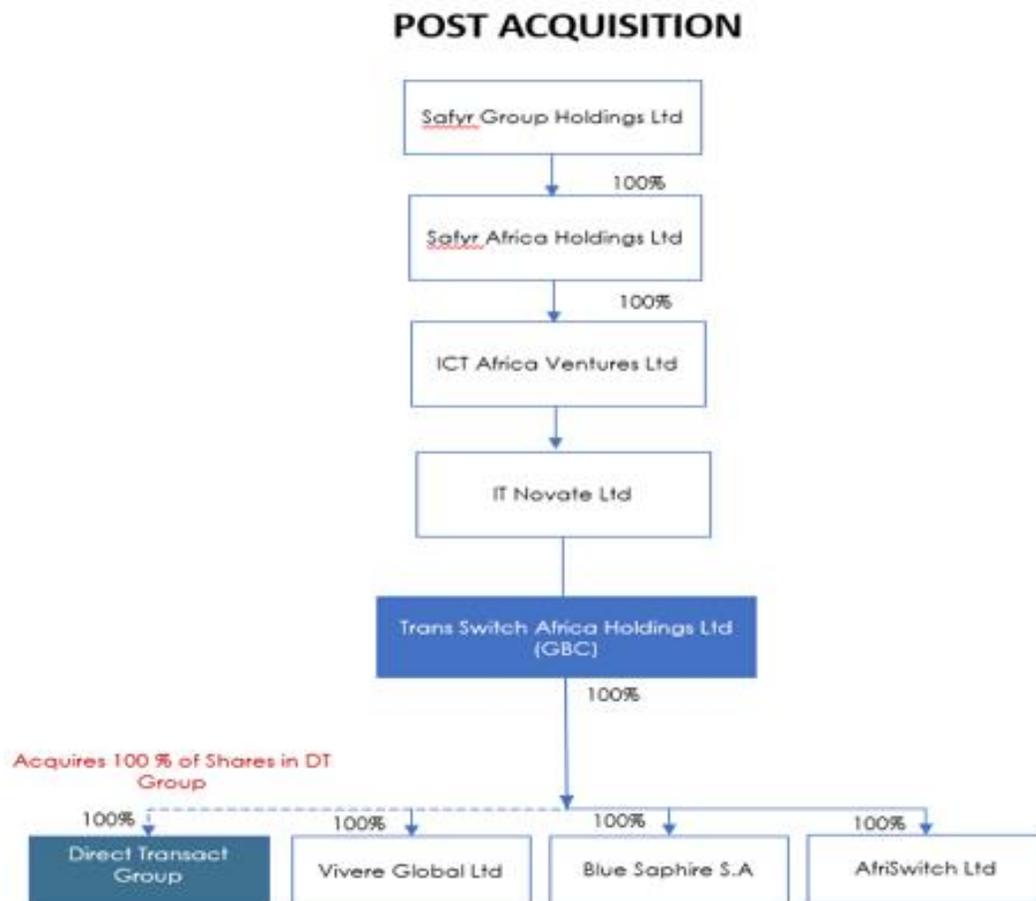
## 8. Structure of the Company

The structure below shows the shareholding of Trans Switch prior and post the Transaction:

### (A) Pre-acquisition structure chart




**(B) Post-acquisition Structure Chart**



**9. Rationale behind the Transaction**

9.1 Trans Switch’s investment objective is to invest in companies and act as a catalyst that would provide outsourcing services in terms of account hosting, electronic transaction processing and ancillary services to the financial services industry.

9.2 By acquiring 100% shares in Direct Transact, the company will own Direct Transact Group Proprietary Ltd which will consolidate its position within the South African market as a leader in the industry. This acquisition is aimed to provide the Company with a strong platform to further enhance its African expansion plans, through world class execution capacity at its disposal.



## 10. Background of Direct Transact Group Proprietary Ltd

Direct Transact Group Proprietary Ltd originated through a management buy-out in 2002, of the Electronic Banking Division of a former South African Retail Bank, realising the dream of the management team to establish the first recognised Third-Party Processor in Africa. Direct Transact currently specialises in providing services to the Banking, Retail and Corporate industry, offering a turnkey solution relating to any form of electronic transaction processing and account hosting services.

Its current list of customers underlines the trust that the company has built over the past number of years as a reliable, professional and trustworthy partner.

Since inception, the company has become a well-known Third-Party Processor and has expanded its services into Africa. Direct Transact continuously explores new ways to expand its innovative service offering to its customers, focusing on flexibility, security, compliancy and most importantly, the specific requirements of its customers, keeping within the framework of the regulations of Central Banks and the Card Associations.

Direct Transact is a world-class Third-Party Processor and National Payment Operator that has been recognised by Visa International, MasterCard and the Payment Association of South Africa. Its high-volume payment gateway connects its clients with the global banking community for card processing, authorisation and settlement. The company is a market leader in Southern Africa for independent online payment processing, as well as providing turnkey solutions to retail Banks who understands the cost benefit of not having to develop and maintain their own retail-banking platform, rather choosing to outsource these services to a competent service provider.

Its customers come from the banking, telecoms, retail, travel and broader e-commerce sectors. Direct Transact has its office located in Pretoria, Gauteng, South Africa.

The Complete Service Offering of Direct Transact Group Proprietary Ltd consists inter alia of a Retail Banking System for Debit/Credit Card Account Hosting, Savings and Loan products including Internet Banking and Mobile Banking services.

The systems of Direct Transact are regularly enhanced and updated to comply with the South African National Payment System's regulations and all international payment standards such as those of Visa and MasterCard and the Payment Cards Industry Data Security Standards. The development and implementation of new systems or enhancements to existing systems are strictly controlled according to Direct Transact's Change Control Policy.



## 11 Statutory information of Direct Transact Proprietary Ltd

<b>Registered office</b> Direct Transact Group Proprietary Ltd Mercedes Place 210 Aramist Avenue Waterkloof Glen 0181, South Africa	<b>Company secretary</b> Beulinda Jenkins
<b>Banker</b> Standard Bank Group Limited 9 <sup>th</sup> Floor, Standard Bank Centre 5, Simmonds Street, Johannesburg 2001 PO Box 7725 South Africa	<b>Auditor</b> Fourie + Botha Chartered Accountants (SA) 2 <sup>nd</sup> Floor, 476 Kings Highway Lynnwood, Pretoria 0081 South Africa

## 12 Statement of interests of Directors in Direct Transact Group Proprietary Ltd

None of the Directors of Trans Switch or their associates hold any interest, directly or indirectly, in the share capital of Direct Transact Group Proprietary Ltd.

## 13 Legal or arbitration proceedings against Direct Transact Group Proprietary Ltd

The directors of Direct Transact have warranted to Trans Switch that as far as they are aware, neither Direct Transact nor any of its directors are engaged or involved in any litigation, administrative, arbitration or other proceedings, claims, actions or hearings, or any dispute with, or investigation, inquiry, enforcement proceedings by any governmental, regulatory or similar body.

## 14 Financial information on Direct Transact Group Proprietary Ltd

14.1 The financial statements of Direct Transact may be provided upon request.

### Direct Transact Group and subsidiaries Proprietary Limited

(Registration number: 2003/005297/07)  
 Consolidated Annual Financial Statements for the year ended 30 June 2022

#### Statement of Comprehensive Income

Figures in Rand	Note(s)	Group		Company	
		2022	2021	2022	2021
Revenue	12	302 975 229	255 010 048	5 278	7 613
Cost of sales	13	(11 402 053)	(14 806 898)	-	-
<b>Gross profit</b>		<b>291 573 166</b>	<b>240 203 150</b>	<b>5 278</b>	<b>7 613</b>
Other income	14	1 111 970	352 924	-	249 999 900
Operating expenses	15	(212 093 228)	(189 361 595)	(1 229)	(440)
<b>Operating profit</b>		<b>80 591 908</b>	<b>51 194 479</b>	<b>4 049</b>	<b>250 007 073</b>
Investment revenue	18	1 259 809	1 457 917	58 135 000	39 325 000
Finance costs	1.12	(531 762)	(96 495)	-	-
<b>Profit before taxation</b>		<b>81 319 955</b>	<b>52 555 901</b>	<b>58 139 049</b>	<b>289 332 073</b>
Taxation	20	(22 812 158)	(15 715 209)	1 998 521	(56 002 362)
<b>Profit for the year</b>		<b>58 507 797</b>	<b>36 840 692</b>	<b>60 137 570</b>	<b>233 329 711</b>
Other comprehensive income		-	-	-	-
<b>Total comprehensive income for the year</b>		<b>58 507 797</b>	<b>36 840 692</b>	<b>60 137 570</b>	<b>233 329 711</b>
<b>Profit attributable to:</b>					
Owners of Direct Transact Group and subsidiaries Proprietary Limited		56 009 034	36 840 692	60 137 570	233 329 711
Non-controlling interest		2 498 763	-	-	-
		<b>58 507 797</b>	<b>36 840 692</b>	<b>60 137 570</b>	<b>233 329 711</b>
<b>Total comprehensive income attributable to:</b>					
Owners of Direct Transact Group and subsidiaries Proprietary Limited		56 009 034	36 840 692	60 137 570	233 329 711
Non-controlling interest		2 498 763	-	-	-
		<b>58 507 797</b>	<b>36 840 692</b>	<b>60 137 570</b>	<b>233 329 711</b>



## Direct Transact Group and subsidiaries Proprietary Limited

(Registration number: 2003/005297/07)

Consolidated Annual Financial Statements for the year ended 30 June 2022

### Statement of Financial Position as at 30 June 2022

Figures in Rand	Note(s)	Group		Company	
		2022	2021	2022	2021
<b>Assets</b>					
<b>Non-Current Assets</b>					
Property, plant and equipment	2	29 567 977	10 221 306	-	-
Investments in subsidiaries	3	-	-	1 240	1 240
Other financial assets	4	6 000 000	6 000 000	250 000 000	250 000 000
Deferred tax	5	110 864	1 603 705	-	-
		<u>35 678 841</u>	<u>17 825 011</u>	<u>250 001 240</u>	<u>250 001 240</u>
<b>Current Assets</b>					
Inventories		-	24 178	-	-
Trade and other receivables	6	36 393 162	30 055 233	-	-
Cash and cash equivalents	7	46 661 609	31 916 385	11 235	8 565
		<u>83 054 771</u>	<u>61 995 796</u>	<u>11 235</u>	<u>8 565</u>
<b>Total Assets</b>		<u>118 733 612</u>	<u>79 820 807</u>	<u>250 012 475</u>	<u>250 009 805</u>
<b>Equity and Liabilities</b>					
<b>Equity</b>					
Equity Attributable to Equity Holders of Parent					
Share capital	8	100	100	100	100
Retained income		58 105 815	60 231 781	196 011 633	194 009 063
		<u>58 105 915</u>	<u>60 231 881</u>	<u>196 011 733</u>	<u>194 009 163</u>
Non-controlling interest		2 483 763	-	-	-
		<u>60 589 678</u>	<u>60 231 881</u>	<u>196 011 733</u>	<u>194 009 163</u>
<b>Liabilities</b>					
<b>Non-Current Liabilities</b>					
Other financial liabilities	9	6 707 145	3 047 375	-	-
Deferred tax	5	-	-	53 999 978	55 999 978
		<u>6 707 145</u>	<u>3 047 375</u>	<u>53 999 978</u>	<u>55 999 978</u>
<b>Current Liabilities</b>					
Trade and other payables	11	28 880 650	8 391 648	1	1
Other financial liabilities	9	4 803 688	1 647 329	-	-
Current tax payable		1 678 568	2 375 563	763	663
Provisions	10	4 443 883	4 127 011	-	-
Dividend payable		11 630 000	-	-	-
		<u>51 436 789</u>	<u>16 541 551</u>	<u>764</u>	<u>664</u>
<b>Total Liabilities</b>		<u>58 143 934</u>	<u>19 588 926</u>	<u>54 000 742</u>	<u>56 000 642</u>
<b>Total Equity and Liabilities</b>		<u>118 733 612</u>	<u>79 820 807</u>	<u>250 012 475</u>	<u>250 009 805</u>



## 15 Considerations

15.1 This transaction is a substantial transaction in terms of the SEM Listing Rules. Trans Switch is hereby informing SEM of the said transaction in line with Chapter 13 of the SEM Listing Rules before the transaction is entered into.

15.2 The Consideration price of USD 25,000,000 was determined using the Discounted Cash Flow method valuation methodology as basis and the final figure agreed upon following negotiation between the buyer and the seller.

15.3 The settlement of the Consideration price shall consist of a fixed portion of USD 5,000,000 payable at the closing date and the additional amount which shall be on a deferred basis as agreed by the buyer and the seller.

15.4 The transaction shall be financed partly through a bank debt of USD 2,000,000 and the remaining shall be financed through funds from operations. The breakdown of the payments are set out below.

	USD	Terms
First tranche	5,000,000	Payable within 30 days from the effective date of the Share Purchase Agreement.
Second tranche	2,000,000*	Payable in 2023
Third tranche	4,000,000*	Payable in 2024
Fourth tranche	4,000,000*	Payable in 2025
Fifth tranche	5,000,000*	Payable in 2026
Final tranche	5,000,000*	Payable in 2027
<b>Total Consideration</b>	<b>25,000,000</b>	

\*Subject to earn out calculation.



## 16 Benefits of the Transaction

The Transaction is expected to yield a number of key benefits to Trans Switch. These benefits are summarised below;

- Emerging market focus;
- Highly cash generative business with low overheads;
- Asset light business with minimum debt;
- Attractive historical and prospective growth prospects;
- Excellent executive team;
- Market leader with a unique, diverse and innovative product suite; and
- Vertical synergies between the company and Trans Switch Africa.

## 17 Pro forma statement of financial position of Trans Switch post the Transaction

The *pro forma* statement of financial position is the responsibility of the directors of Trans Switch. The *pro forma* statement of financial position has been prepared for illustrative purposes only, and because of its nature may not fairly present Trans Switch's financial position, changes in equity, results of operations or cash flows.

The *pro forma* statement of financial position has been prepared in accordance with the accounting policies of Trans Switch. The Management Accounts for the year ended 30 June 2023 is illustrated in **Annexure 2**.

## 18 Accountant's report

**An Accountants' Report** on the Transaction has been prepared in compliance with the requirements Chapter 13 of the SEM Listing Rules, and has been attached to this Circular as **Annexure 4**.

## 19 Shareholder approval

### 19.1 Shareholder approval

As per the SEM Listing Rules, a Substantial Transaction must be made conditional on approval by shareholders. Such approval may be obtained either by convening a meeting of shareholders or by means of the written approval of the transaction by a shareholder who holds or shareholders who together hold more than 50% (fifty per cent) in nominal value/value of the securities giving the right to attend and vote at such meeting of shareholders.

The SEM will normally require that any shareholder shall abstain from voting at that meeting of shareholders and will not accept the written approval of any such shareholder if such shareholder has a material interest in the Transaction. To the extent that any shareholder has a material interest in the Transaction, any such shareholder shall abstain from voting at that meeting of shareholders



called to approve the Transaction, and Trans Switch Africa will not accept the written approval of any such shareholder. None of the Directors of Trans Switch Africa or their associates holds any interest in the Transaction. So far as the Company and the Directors are aware, no shareholders of Trans Switch Africa hold any interest in the Seller or the Transaction.

#### **19.1 Actions required by shareholders.**

The Directors has obtained shareholders' approval for the Transaction by way of written resolution. A written resolution proposing to approve the Transaction is included in Annexure 2 (the "**Shareholder Resolution**").

Shareholders are required to familiarize themselves with the contents of this Circular. Shareholders are required to exercise their vote in terms of the Shareholder Resolution by completing and signing the Shareholder Resolution.

If shareholders are in any doubt as to what action to take, shareholders are advised to consult their broker, banker, attorney, accountant or other professional adviser immediately.

#### **20 Notification to the SEM**

Trans Switch hereby notifies the SEM for the following:

1. The acquisition of 100% of the shares of Direct Transact as a substantial disclosable transaction under Chapter 13 of the Listing Rules of the SEM.

Yours faithfully,



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**Deva MARIANEN**  
Director  
**By Order of the Board**

## **ANNEXURE 1: DIRECTORS**

### **FULL NAMES, NATIONALITIES, AGES, BUSINESS ADDRESSES, ROLES, QUALIFICATIONS, OCCUPATIONS AND EXPERIENCE OF EACH DIRECTOR**

The full names (including former names, if applicable), nationalities, ages, business addresses, roles, term of office, qualifications, occupations and experience of each of the directors of the Company and each of its material subsidiaries are set out below:

#### **The Board of Directors External Profile**

##### **Mr. Deva Marianen – Non-Executive Director**

Deva Marianen is the founder and the Chief Executive Officer of the SAFYR Group which is a well-established financial services group, headquartered in Mauritius. Deva is also the founder of Safyr Capital Partners, which is an investment banking institution licensed by the FSC in Mauritius and which specializes in asset management, corporate finance, and investment advisory servicing predominantly the African market. Through Safyr Capital, Deva has led more than USD 1 billion of deals in the form of structured debt, equity, trade finance, project finance in sectors such as healthcare, renewable energy, real estate and agriculture. Deva is an economist and a chartered secretary and administrator.



##### **Mr. Vaughan Heberden – Independent Non-Executive Director**

Vaughan holds BA and LLB qualifications and is a shareholder and director of Bellerive Corporate Management Services (Mauritius) Ltd, the Chairman of the Old Mutual US Dollar Money Market Fund, Director of Grindrod Mauritius Ltd and a member of the Listing Committee of the Stock Exchange of Mauritius. He was previously the CEO of Cim Group, a listed, diversified financial services group located in Mauritius with offices in Singapore, Australia, the UK and South Africa. The Cim Group included consumer finance, insurance, asset management, stock broking, technology and international administration services with a local and international institutional client base. Prior to relocating to Mauritius, he was Director, Southern & East Africa, of Barclays International & Private Banking, where he grew these operations to become two of the biggest contributors to the Barclays International and Private Banking businesses. He was CEO of Ansbacher South Africa, the Private Banking arm of FirstRand Bank Limited. Vaughan has in excess of 30 years in business, with significant experience at CEO, Director and Chairperson Level.




**Mr. Hendrik Petrus Barnhoorn – Independent Non-Executive Director**

Henk currently holds the position of Chief Operating Officer (COO) for Creation Group, ([www.creation-capital.com](http://www.creation-capital.com)) a South African regulated and licensed investment manager. Creation Capital is a Finance House with a pragmatic investment philosophy specializing in Private Credit. He currently resides and work from the Netherlands.

Henk previously worked as the Group Chief Financial Officer (CFO), since 2008, for Geneva Management Group, which is a regulated and licensed multifaceted global financial services group, which operates in various jurisdictions, and spent the last two years based in the Switzerland office until he resigned in 2020.

During his 12 years with the group, Henk served on all the key Boards including the Group Board, the Fund Management and Insurance divisions and took on the responsibilities for Group Compliance and Risk.

Henk has many years of senior executive experience across various industries, including an New York Stock Exchange (NYSE) listed entity, working in both the USA and the Netherlands. His focus has been on the Financial Industry, including listed (public) and privately-owned companies. He serves on several Boards and Audit Committees.

Henk is a qualified Chartered Accountant, started his career with PWC in the Netherlands and South Africa, and is a member of South African Institute of Chartered Accountants (SAICA).

He has a degree in Investment Management (B.Comm Hons) and holds an executive MBA from the Erasmus University, Rotterdam (the Netherlands).



**Mrs. Kim Tracy Setzkorn – Independent Non-Executive Director**

Kim Setzkorn has been with Geneva Management Group, a multifaceted global financial services group, since 2008. In 2022, Geneva Management Group Trust Business was transferred to TrustQore. Kim is based in the Mauritius offices and presently holds the position of Chief Operating Officer at TrustQore (Mauritius) Ltd. Kim holds LLB and BA degrees, both from the University of South Africa and after successfully completing the attorney admissions requirements was admitted as an attorney of the High Court of South Africa in 2002. She started her career as a professional assistant at a general law practice in South Africa where she gained experience in diverse areas of the law, including drafting of corporate and commercial contracts and active participation in commercial and corporate arbitration and litigation matters. In 2004, and after deciding to leave legal practice, Kim

joined Sentinel International Advisory Services (Pty) Ltd to specialize in trusts and corporate affairs as well as tax and structuring. At the time of leaving Sentinel in 2008, Kim had been appointed as legal counsel and was responsible for the overall management of a portfolio of high net worth clients (both domestic and foreign). Kim is registered with the Law Society of the Northern Provinces on the roll of non-practicing attorneys.

A handwritten signature in black ink, appearing to be the initials 'DM'.

**ANNEXURE 2: PRO FORMA STATEMENT OF FINANCIAL POSITION OF DIRECT TRANSACT GROUP**

**Management Accounts as at 30 June 2023**

**STATEMENT OF FINANCIAL POSITION**

	<b>30 June 2023</b>
Share Capital	100
Dividend Payable	99,468
Retained Income	89,277,972
<b>Total Equity</b>	<b>89,377,540</b>
Gearing Ratio	11.8%
<b>Non-Current Assets</b>	<b>45,145,114</b>
Investments	8,322,190
Fixed Assets	36,822,923
<b>Current Assets</b>	<b>87,592,502</b>
Bank and Cash	38,305,216
Deposits	1,000
Debtors	41,400,004
Pre-payments	7,886,282
<b>Total Assets</b>	<b>132,737,616</b>
<b>Non-Current Liabilities</b>	<b>10,679,015</b>
Long Term Loans	10,679,015
<b>Current Liabilities</b>	<b>32,681,062</b>
Creditors	3,794,502
Income Tax Control	(1,173,331)
Deferred Taxation	(110,864)
Dividend Tax Payable	7,427,000
Provisions & Accruals	7,975,836
Deferred Income	9,075,838
VAT Control	5,692,081
<b>Total Liabilities</b>	<b>43,360,076</b>
<b>Total Net Assets</b>	<b>89,377,540</b>



## INCOME STATEMENT

	<b>30 June 2023</b>
Total Revenue	288,373,414
Cost of Sales	(5,731,520)
Gross Margin	282,641,894
Margin after Salaries	162,801,949
Operating Expenses	(60,785,783)
EBITDA	102,016,166
Net Income before Tax	90,203,916
Taxation	(24,355,057)
Net Profit after Tax	65,848,859
Net Profit after Dividend	28,698,859



**ANNEXURE 3: SHAREHOLDER'S RESOLUTION**

**ITNOVATELTD**

**WRITTEN RESOLUTIONS OF THE SOLE DIRECTOR OF IT NOVATE LTD DATED 31 JULY 2023 MADE IN ACCORDANCE WITH THE PROVISIONS OF THE CONSTITUTION OF THE COMPANY AND THE COMPANIES ACT 2001.**

**APPROVAL FOR THE ACQUISITION OF THE SHARES OF DIRECT TRANSACT GROUP PROPRIETARY LIMITED**

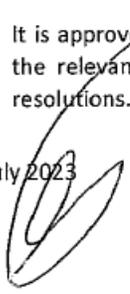
**NOTED THAT:**

1. IT NOVATE LTD, the sole shareholder of Trans Switch Africa Holdings Ltd ('the company) takes note that the company is hereby acquiring the shares of DIRECT TRANSACT GROUP PROPRIETARY LIMITED ('Direct Transact') effective from 31<sup>st</sup> July 2023 as agreed in the Share Purchase Agreement signed by the company.
2. IT NOVATE LTD takes note that a Draft Circular is being prepared to inform the Stock Exchange of Mauritius (SEM) of the Substantial transaction in view of the acquisition of the Shares of Direct Transact and note that the Draft Circular would be submitted to the SEM.
3. It is noted that Mr Deva Marianen, Director of IT Novate Ltd, would be authorised to execute the relevant documents, for and on behalf of the company to give full effect to the above resolutions.

**RESOLVED THAT:**

1. IT NOVATE LTD, the sole shareholder of Trans Switch Africa Holdings Ltd) approves that the company acquires the shares of DIRECT TRANSACT GROUP PROPRIETARY LIMITED ('Direct Transact') effective from 31<sup>st</sup> July 2023 as agreed in the Share Purchase Agreement signed by the company.
2. IT NOVATE LTD approves that a Draft Circular be filed with the Stock Exchange of Mauritius to inform the SEM of the Substantial transaction in view of the acquisition of the Shares of Direct Transact.
3. It is approved that Mr Deva Marianen, Director of IT Novate Ltd would be authorised to execute the relevant documents, for and on behalf of the company to give full effect to the above resolutions.

31<sup>st</sup> July 2023

  
**Deva Marianen**  
**Director of IT Novate Ltd**



**ANNEXURE 4: ACCOUNTANT'S REPORT.**

Please find hereunder the Draft Accountant's Report (*Note that the final Accountant Report would be duly signed by Fourie & Botha and submitted to the SEM as Annexure*)

