

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

The definitions and interpretations commencing on page 6 of this Circular apply *mutatis mutandis* throughout this Circular.

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

1. If you have disposed of all of your Shares in M-FiTEC, then this Circular, together with the attached notice of General Meeting and form of proxy should be forwarded to the purchaser to whom, or the broker, agent, CSDP or banker through whom you disposed of your Shares.
2. The General Meeting convened in terms of this Circular will be held at 10:00 on Wednesday, 20 September 2017 at Augusta @ Inanda Greens, 54 Wierda Road, Sandton, 2196.
3. **Certificated Shareholders and Dematerialised Shareholders with “own name” registration, who** are unable to attend the General Meeting and wish to be represented thereat, must complete and return the attached form of proxy in accordance with the instructions contained therein.

**Dematerialised Shareholders, other than Dematerialised Shareholders with “own name” registration, who:**

- are unable to attend the General Meeting and wish to be represented thereat, must provide their CSDP or broker with their voting instructions, in terms of the Custody Agreement entered into between themselves and the CSDP or broker concerned, in the manner and within the time stipulated therein;
  - wish to attend the General Meeting, must instruct their CSDP or broker to issue them with the necessary letter of representation to attend, in the form of a letter of representation.
4. **M-FiTEC does not accept any responsibility and will not be held liable for any failure on the part of any CSDP or broker of a Dematerialised Shareholder to notify such Shareholder of the General Meeting or any business to be concluded thereat.**



**M FITEC International Limited**  
Incorporated in the Republic of South Africa  
(Registration number 2015/195093/06)  
Share code: MFI ISIN: ZAE000209607  
(“M-FiTEC” or “the Company”)

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**CIRCULAR TO SHAREHOLDERS OF M-FITEC**

regarding

- **the Capital Distribution; and**
- **the Voluntary Liquidation;**

and enclosing

- **a notice convening the General Meeting; and**
  - **a form of proxy for use by Certificated Shareholders of M-FiTEC and “own name” registered Dematerialised Shareholders only.**
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Designated Adviser and Corporate Adviser

**Merchantec**  
capital

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Date of issue: 30 August 2017

Additional copies of this Circular, in electronic format, may be obtained from the registered office of the Company and the Sponsor at the addresses set out in the “Corporate information” section of this Circular during normal business hours from Wednesday, 30 August 2017 up to and including, Thursday, 21 September 2017, or on the Company’s website at [www.m-fitec.com](http://www.m-fitec.com) from Wednesday, 30 August 2017. Copies of this Circular are available in the English language only.

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## **CORPORATE INFORMATION**

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### **M FiTEC International Limited**

**Date of incorporation:** 19 August 2015

**Place of incorporation:** South Africa

### **Registered address of M-FiTEC**

(Registration number 2015/294800/06)  
Augusta @ Inanda Greens  
54 Wierda Road  
Sandton, 2196  
(PO Box 786521, Sandton, 2146)

### **Company Secretary**

Acorim Proprietary Limited  
(Registration number 2013/087325/07)  
2nd Floor, North Block  
Hyde Park Office Tower  
Corner 6th Road and Jan Smuts Avenue  
Hyde Park, Johannesburg, 2196  
(PO Box 41480, Craighall, 2024)

### **Sponsor and Corporate Adviser**

Merchantec Capital Proprietary Limited  
(Registration number 2008/027362/07)  
2nd Floor, North Block  
Hyde Park Office Tower  
Corner 6th Road and Jan Smuts Avenue  
Hyde Park, Johannesburg, 2196  
(PO Box 41480, Craighall, 2024)

### **Transfer Secretaries**

Singular Systems Proprietary Limited  
(Registration number: 2002/001492/07)  
Authorised Financial Services Provider (FSP No. 44330)  
28 Fort Street  
Birnam  
Johannesburg, 2196  
(PO Box 785261, Sandton 2146)

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## **FORWARD-LOOKING STATEMENT DISCLAIMER**

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This Circular includes statements about M-FiTEC that are, or may be deemed to be forward-looking statements. All statements other than statements of historical fact are, or may be deemed to be, forward-looking statements. These forward-looking statements are not based on historical facts, but rather reflect current expectations concerning future results and events and generally may be identified by the use of forward-looking words such as “believe”, “aim”, “expect”, “project”, “anticipate”, “intend”, “foresee”, “forecast”, “likely”, “should”, “planned”, “may”, “will”, “estimated”, “potential” or similar words and phrases.

By their nature, forward-looking statements involve risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. M-FiTEC cautions that forward-looking statements are not guarantees of future performance. Actual results, financial and operating conditions, liquidity and the developments within the industry in which M-FiTEC operates may differ materially from those made in, or suggested by, the forward-looking statements contained in this Circular.

All these forward-looking statements are based on estimates and assumptions made by M-FiTEC, as communicated in publicly available documents by M-FiTEC, all of which estimates and assumptions, although M-FiTEC believes them to be reasonable, are inherently uncertain. Such estimates, assumptions or statements may not eventuate. Factors which may cause the actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied in those statements or assumptions include other matters not yet known to M-FiTEC or not currently considered material by M-FiTEC.

Shareholders should keep in mind that any forward-looking statement made in this Circular or elsewhere is applicable only at the date on which such forward-looking statement is made. New factors that could cause the business of M-FiTEC not to develop as expected may emerge from time to time and it is not possible to predict all of them. Further, the extent to which any factor or combination of factors may cause actual results to differ materially from those contained in any forward-looking statement are not known. M-FiTEC has no duty to, and does not intend to, update or revise the forward-looking statements contained in this Circular after the date of this Circular, except as may be required by law.

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## IMPORTANT DATES AND TIMES

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The definitions and interpretations commencing on page 6 of this Circular apply *mutatis mutandis* to this section.

|   | <b>2017</b>             |
|---|-------------------------|
| Record date to determine which Shareholders are entitled to receive the Circular      | Friday, 18 August       |
| Circular distributed to Shareholders and declaration announcement released on SENS on | Wednesday, 30 August    |
| Last day to trade in order to vote at the General Meeting                             | Tuesday, 5 September    |
| Record date to be eligible to vote at the General Meeting                             | Friday, 8 September     |
| Last day to lodge forms of proxy for the General Meeting by 10:00 on                  | Friday, 15 September    |
| General Meeting to be held at 10:00 on  | Wednesday, 20 September |
| Results of General Meeting and finalisation announcement released on SENS on          | Wednesday, 20 September |
| Last day to trade to be eligible to receive the Capital Distribution                  | Tuesday, 26 September   |
| Suspension of M-FITEC Shares on AltX  | Wednesday, 27 September |
| Capital Distribution Record Date  | Friday, 29 September    |
| First Distribution payment date   | Monday, 2 October       |
| Delisting of M-FITEC from AltX  | Tuesday, 3 October      |

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### Notes:

1. The above dates and times are subject to amendment. Any such amendment will be released on SENS.
2. Additional copies of this Circular in electronic format, may be obtained from the registered office of the Company and the Sponsor at the addresses set out in the "Corporate information" section of this Circular during normal business hours from Wednesday, 30 August 2017 up to and including, Wednesday, 20 September 2017, or on the Company's website at [www.m-fitec.com](http://www.m-fitec.com).
3. Any form of proxy not delivered to the Transfer Secretaries by 10:00 on Friday, 15 September 2017 may be handed to the Chairperson of the General Meeting immediately before the appointed proxy exercises any of the Shareholder's votes at the General Meeting.

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## DEFINITIONS AND INTERPRETATIONS

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

|   |   |
|---|---|
| <b>“AltX”</b>                             | the Alternative Exchange of the JSE;  |
| <b>“Board” or “Directors”</b>             | the board of directors of M-FiTEC at the Last Practicable Date, whose details are set out on page 10 of this Circular;  |
| <b>“Business Day”</b>                     | any day other than a Saturday, Sunday or a public holiday in South Africa;  |
| <b>“Capital Distribution”</b>             | collectively, the First Distribution and the Final Distribution;  |
| <b>“Capital Distribution Record Date”</b> | Friday, 29 September 2017;  |
| <b>“Certificated Shareholder”</b>         | an M-FiTEC Shareholder who holds Certificated Shares;   |
| <b>“Certificated Share”</b>               | an M-FiTEC Share that has not been Dematerialised, title to which is evidenced by a Document of Title;  |
| <b>“Circular”</b>                         | this bound document, dated Wednesday, 30 August 2017, including the annexures hereto and incorporating a notice of General Meeting and a form of proxy;   |
| <b>“Companies Act”</b>                    | the Companies Act, 2008 (Act 71 of 2008), as amended;   |
| <b>“CSDP”</b>                             | a Central Securities Depository Participant, accepted as a participant in terms of the Financial Markets Act, appointed by an individual shareholder for the purposes of, and in regard to dematerialisation;   |
| <b>“Custody Agreement”</b>                | the agreement which regulates the relationship between the CSDP or broker and each beneficial holder of dematerialised shares;  |
| <b>“Dematerialisation”</b>                | the process by which Certificated Shares are converted into electronic format as Dematerialised Shares and recorded in M-FiTEC’s Uncertificated Securities Register;  |
| <b>“Dematerialised Shareholder”</b>       | an M-FiTEC Shareholder who holds Dematerialised Shares;   |
| <b>“Dematerialised Share”</b>             | an M-FiTEC Share that has been Dematerialised or has been issued in Dematerialised form, and recorded in M-FiTEC’s Uncertificated Securities Register;  |
| <b>“Documents of Title”</b>               | share certificates, certified transfer deeds, balance receipts and/or any other form of acceptable documents of title acceptable to M-FiTEC in respect of M-FiTEC Shares;   |
| <b>“Financial Markets Act”</b>            | Financial Markets Act, 2012 (Act 19 of 2012), as amended;   |
| <b>“Final Distribution”</b>               | a further amount being the remaining cash balance after final settlement of legal fees, liquidation expenses, taxation and interest, to be distributed to Shareholders <i>pro rata</i> to their holdings;   |
| <b>“First Distribution”</b>               | an amount of approximately R72 991 165, which equates to the aggregate amount held in escrow, net of applicable taxes and expenses related to the distribution and Voluntary Liquidation, to be distributed to Shareholders <i>pro rata</i> to their holdings, in accordance with paragraph 4.37(a) of the Listings Requirements; |

|   |  |
|---|--|
| <b>“General Meeting”</b>                            | the general meeting of Shareholders of M-FiTEC to be held at 10:00 on Wednesday, 20 September 2017 at Augusta @ Inanda Greens, 54 Wierda Road, Sandton, 2196, which meeting is convened in terms of the notice of General Meeting attached to this Circular;   |
| <b>“JSE”</b>  | JSE Limited (Registration number 2005/022939/06), a public company duly incorporated in accordance with the laws of South Africa and licensed as an exchange under the Financial Markets Act;  |
| <b>“Last Practicable Date”</b>                      | Friday, 18 August 2017, being the last practicable date prior to the finalisation of this Circular;  |
| <b>“Listings Requirements”</b>                      | the Listings Requirements of the JSE, as amended from time to time by the JSE;   |
| <b>“M-FiTEC” or “the Company”</b>                   | M FiTEC International Limited (Registration number 2015/294800/06), a public company duly registered and incorporated under the laws of South Africa and listed on AltX;   |
| <b>“M-FiTEC Shareholders” or “Shareholders”</b>     | holders of M-FiTEC Shares;   |
| <b>“M-FiTEC Shares” or “Shares”</b>                 | ordinary shares of no par value in the authorised and issued share capital of M-FiTEC;   |
| <b>“Merchantec Capital” or “Designated Adviser”</b> | Merchantec Proprietary Limited (Registration number 2008/027362/07), a private company duly registered and incorporated under the laws of South Africa;  |
| <b>“MOI”</b>  | memorandum of incorporation;   |
| <b>“Rand” or “R”</b>                                | South African Rand, the official currency of South Africa;   |
| <b>“Register”</b>                                   | M-FiTEC’s securities register, including the Uncertificated Securities Register;   |
| <b>“SENS”</b>                                       | the Stock Exchange News Service;   |
| <b>“SPAC”</b>                                       | a special purpose acquisition company as defined in the Listings Requirements;   |
| <b>“South Africa”</b>                               | the Republic of South Africa;  |
| <b>“Strate”</b>                                     | the settlement and clearing system used by the JSE, managed by Strate Proprietary Limited (Registration number 1998/022242/07), a private company duly incorporated in accordance with the laws of South Africa and which company is a registered Central Securities Depository in terms of the Financial Markets Act; |
| <b>“Transfer Secretaries”</b>                       | Singular Systems Proprietary Limited (Registration number 2002/001492/07), a private company duly incorporated in accordance with the laws of South Africa;  |
| <b>“Uncertificated Securities Register”</b>         | the record of Dematerialised Shares administered and maintained by a CSDP and which forms part of the Register;  |
| <b>“VAT”</b>  | value added tax, levied in terms of the provisions of the Value-Added Tax Act, 1991 (Act 89 of 1991), as amended;  |
| <b>“Viable Asset/s”</b>                             | asset/s that, if acquired would enable M-FiTEC to qualify for a listing, other than as a SPAC, pursuant to the listing criteria of AltX  |
| <b>“Voluntary Liquidation”</b>                      | the voluntary liquidation of M-FiTEC proposed to shareholders in accordance with paragraph 4.37(b) of the Listings Requirements which will result in the cancellation and delisting of M-FiTEC Shares on AltX;   |



**M FiTEC International Limited**  
Incorporated in the Republic of South Africa  
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Share code: MFI ISIN: ZAE000209607  
("M-FiTEC" or "the Company")

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## **Directors**

### **Executive**

Charles Rowlinson (Chief Executive Officer)  
Kevin Boyers (Chief Financial Officer)  
Gregory Voigt (Chief Investment Officer)

### **Non-executive**

Richard Came (Chairman)\*  
Robin Frew\*  
Christopher Lister James\*  
Sabir Munshi\*  
Colin Rezek\*  
Andrew Springate\*  
Marius Oberholzer

\* *Independent*

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## **CIRCULAR TO SHAREHOLDERS OF M-FiTEC**

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### **1. INTRODUCTION**

M-FiTEC listed as a SPAC on AltX on 17 November 2015. On 9 June 2017, it was announced on SENS that the Board had resolved not to proceed with the acquisition of Viable Assets and accordingly, will be returning all excess capital to shareholders by way of a Capital Distribution.

The Board resolved not to proceed with the acquisition of Viable Assets due to:

- the current unfavourable sentiment in the market towards small cap listed stocks;
- the expected lack of liquidity in the Company's share post acquisition of Viable Assets and the pressure this would have on the share price of the Company;
- the current state of the South African market; and
- the Company's lack of ability to raise capital at a fair share price and use its shares as currency in future acquisitions going forward, due to the aforementioned reasons.

The purpose of this Circular is to provide M-FiTEC Shareholders with the relevant information relating to, *inter alia*, the Capital Distribution and Voluntary Liquidation, and to give notice of the General Meeting in order for M-FiTEC Shareholders to consider and, if deemed fit, to pass, *inter alia*, the resolutions necessary to approve the Capital Distribution and Voluntary Liquidation in accordance with the Listings Requirements. A notice convening such meeting is attached to, and forms part of, this Circular.



## 2. CAPITAL DISTRIBUTION

In accordance with paragraph 4.37(a) of the Listings Requirements, as M-FiTEC will not be completing an acquisition of Viable Assets, it is required to complete a distribution to all shareholders *pro rata* to their holdings. The distribution must be the maximum amount, while still complying with the solvency and liquidity test pursuant to the Companies Act, which equates to the aggregate amount held in escrow, net of applicable taxes and expenses related to the distribution and Voluntary Liquidation.

The Board has determined the First Distribution to be an amount of approximately R72 991 165 or R9.58 per M-FiTEC Share held on the Capital Distribution Record Date.

Set out below is a breakdown of the changes to the Company's cash and cash equivalents balance since the listing of M-FiTEC on AltX and indicating how the First Distribution has been calculated:

|   | <b>R'000</b>  |
|---|---------------|
| <b>Cash from shares issued</b>  | <b>76 188</b> |
| Listing and share issue costs   | (2 662)       |
| Profit before taxation  | 1 130         |
| Increase in trade and other payables  | 749           |
| <b>Cash and cash equivalents as at 28 February 2017</b>   | <b>75 405</b> |
| Investment income   | 2 800         |
| Administration expenses   | (1 266)       |
| (Paid to Merchantec Capital, Acorim, Singular Systems, Takeover Regulation Panel, Strate, JSE, Investec Bank, Grant Thornton, Directors (fees and remuneration))  |               |
| Transaction costs*  | (2 456)       |
| (Paid to Merchantec Capital, JSE, Ararat Corporate Advisory Services, Webber Wentzel, Girder Consulting, Nodus Capital, Wizzit Payments)  |               |
| Further expenses to be incurred (estimate)  | (250)         |
| (Provision for estimated further winding up costs payable to Merchantec Capital, Acorim, Singular Systems, Strate, Directors remuneration, Companies and Intellectual Property Commission, and other possible expenses) |               |
| Payables at 28 February 2017  | (1 242)       |
| <b>Amount available for purposes of the First Distribution</b>  | <b>72 991</b> |
| <br>  |               |
| Total number of Shares in issue   | 7 618 594     |
| First Distribution per Share  | R9.58         |

\* Incurred in respect of M-FiTEC's proposed acquisition of Viable Assets as announced on SENS on 15 March 2017 and which was subsequently terminated, as announced on SENS on 9 June 2017.

After finalisation and settlement of all listing and liquidation expenses, taxation, interest and any other final cash items, a Final Distribution, estimated to be not more than R250 000 (3.28 cents per M-FiTEC Share), will be paid to Shareholders recorded in the Register on the Capital Distribution Record Date. Shareholders will be advised via SENS as to the quantum and timing of the Final Distribution.

Shareholders do not need to take any further action in respect of the Capital Distribution and those recorded in the Register on the Capital Distribution Record Date will be paid the Capital Distribution.

### 3. VOLUNTARY LIQUIDATION

In accordance with paragraph 4.37(b) of the Listings Requirements, as M-FITEC will not be completing an acquisition of Viable Assets, the Company is required to propose a special resolution to shareholders for the voluntary liquidation of the SPAC.

Accordingly, as set out in Special Resolution Number 1 included in the notice of General Meeting attached to and forming part of this Circular, Shareholders are required to approve the Voluntary Liquidation.

### 4. TAX IMPLICATIONS

The Capital Distribution is to be declared entirely from Contributed Tax Capital and is therefore not a dividend in terms of the Income Tax Act (Act 58 of 1962), as amended.

The Capital Distribution may have tax implications for resident as well as non-resident Shareholders. Shareholders are therefore encouraged to consult their professional advisors should they be in any doubt as to the appropriate action to take.

### 5. MAJOR SHAREHOLDERS

Those Shareholders (excluding Directors whose interests are detailed in paragraph 6 below) who, as at the Last Practicable Date insofar as is known to M-FITEC, directly or indirectly, were beneficially interested in 5% or more of the issued share capital of M-FITEC, are set out below:

| Shareholder              | Number of Shares    |                       | Percentage shareholding (%) |
|--------------------------|---------------------|-----------------------|-----------------------------|
|                          | Direct shareholding | Indirect shareholding |                             |
| Stanlib Asset Management | 1 925 575           | -                     | 25.27                       |
| Preasidium SA Hedge Fund | 1 406 467           | -                     | 18.46                       |
| Visio Capital Management | 1 035 000           | -                     | 13.59                       |
| <b>Total</b>             | <b>4 367 042</b>    | <b>-</b>              | <b>57.32</b>                |

### 6. DIRECTORS' INTERESTS IN SECURITIES

At the Last Practicable Date, the Directors held, directly or indirectly, an aggregate beneficial interest in 1 800 000 Shares, representing 23.63% of the total issued share capital of the Company as set out in the table below.

| Director                      | Beneficial       |          | Total Shares     | Total %      |
|-------------------------------|------------------|----------|------------------|--------------|
|                               | Direct           | Indirect |                  |              |
| <b>Executive Director</b>     |                  |          |                  |              |
| Charles Rowlinson             | 200 000          | -        | 200 000          | 2.63         |
| Kevin Boyers                  | 200 000          | -        | 200 000          | 2.63         |
| Gregory Voigt                 | 200 000          | -        | 200 000          | 2.63         |
| <b>Non-executive Director</b> |                  |          |                  |              |
| Richard Came                  | 200 000          | -        | 200 000          | 2.63         |
| Robin Frew                    | 200 000          | -        | 200 000          | 2.63         |
| Christopher Lister James      | 200 000          | -        | 200 000          | 2.63         |
| Sabir Munshi                  | 200 000          | -        | 200 000          | 2.63         |
| Colin Rezek                   | 200 000          | -        | 200 000          | 2.63         |
| Andrew Springate              | 200 000          | -        | 200 000          | 2.63         |
| Marius Oberholzer             | -                | -        | -                | -            |
| <b>Total</b>                  | <b>1 800 000</b> | <b>-</b> | <b>1 800 000</b> | <b>23.63</b> |

## **7. EXCHANGE CONTROL**

Shareholders who are uncertain as to the impact of the South African Exchange Control Regulations on their Capital Distribution should consult their independent professional advisors. M-FiTEC will not be responsible for obtaining any consents required by Shareholders.

M-FiTEC has obtained approval from the South African Reserve Bank for the delisting of M-FiTEC Shares on AltX.

In terms of the Exchange Control Regulations of South Africa:

### **6.1 in the case of Certificated Shareholders:**

- cash distribution payments based on emigrants' shares controlled in terms of the Exchange Control Regulations will be forwarded to the authorised dealer in foreign exchange controlling their blocked assets; and
- cash distribution payments due to non-residents are freely transferable from South Africa. In respect of all non-residents of the common monetary area (collectively the Republic of South Africa, the Republic of Namibia and the Kingdoms of Lesotho and Swaziland), the cash distribution payments due will be sent to the registered address of the Shareholder concerned or in accordance with instructions given to the transfer secretaries;

### **6.2 in the case of Dematerialised Shareholders:**

- any cash distribution paid to emigrants from the common monetary area, will be credited to their CSDP or broker's accounts which will arrange for the same to be credited directly to the shareholder's blocked Rand account held by that shareholder's authorised dealer and held to the order of that authorised dealer; and
- any cash distribution paid to non-resident shareholders who are not emigrants from the common monetary area, will be credited directly to the bank account nominated for the relevant shareholders, by their duly appointed CSDP or broker. Non-resident and emigrant Dematerialised Shareholders will have all aspects relating to exchange control managed by their CSDP or broker.

## **8. OPINIONS AND RECOMMENDATION**

The Directors are of the opinion that the Voluntary Liquidation is in the best interests of the Company and its Shareholders. Accordingly, the Directors recommend that Shareholders vote in favour of the resolutions, to be proposed at the General Meeting, to approve the Voluntary Liquidation. The Directors, who are Shareholders of the Company or representatives of Shareholders of the Company, intend to vote in favour of such resolutions to be proposed at the General Meeting to approve the Voluntary Liquidation.

## **9. DIRECTORS' RESPONSIBILITY STATEMENT**

The Directors, whose names are given on page 10 of this Circular, collectively and individually, accept full responsibility for the accuracy of the information contained in the Circular and certify that, to the best of their knowledge and belief, there are no facts that have been omitted which would make any statement false or misleading, and that all reasonable enquiries to ascertain such facts have been made and that the Circular contains all information required by the Listings Requirements.

## 10. EXPERTS' CONSENTS

The Designated Adviser and Corporate Adviser and the Transfer Secretaries have consented in writing to act in the capacities stated and to their names being stated in this Circular and have not, prior to the Last Practicable Date, withdrawn their consents prior to publication of this Circular.

## 11. DOCUMENTS AVAILABLE FOR INSPECTION

The following documents, or copies thereof, will be available for inspection at the registered office of M-FiTEC and the office of the Designated Adviser which addresses are set out in the "Corporate information" section of the Circular, during normal business hours from Wednesday, 30 August 2017 up to and including Wednesday, 20 September 2017:

- the written consent letters referred to in paragraph 10 above; and
- a signed copy of this Circular.

## 12. GENERAL MEETING

A General Meeting of M-FiTEC Shareholders will be held at 10:00 on Wednesday, 20 September 2017 at Augusta @ Inanda Greens, 54 Wierda Road, Sandton, 2196, in order to consider and approve, with or without modification, the resolutions set out in the notice of General Meeting included in this Circular.

A notice convening the General Meeting and a form of proxy for use by Certificated Shareholders and Dematerialised Shareholders with "own name" registration who are unable to attend the General Meeting, form part of this Circular.

**Certificated Shareholders and Dematerialised Shareholders with "own name" registration, who are unable to attend the General Meeting and wish to be represented thereat, must complete and return the attached form of proxy in accordance with the instructions contained therein.**

**Dematerialised Shareholders, other than Dematerialised Shareholders with "own name" registration, who:**

- are unable to attend the General Meeting and wish to be represented thereat, must provide their CSDP or broker with their voting instructions, in terms of the Custody Agreement entered into between themselves and the CSDP or broker concerned, in the manner and within the time stipulated therein;
- wish to attend the General Meeting, must instruct their CSDP or broker to issue them with the necessary written letter of representation to attend.

**SIGNED BY C ROWLINSON ON HIS OWN BEHALF AS A DIRECTOR AND ON BEHALF OF ALL THE OTHER DIRECTORS OF M FITEC INTERNATIONAL LIMITED, BEING DULY AUTHORISED IN TERMS OF POWERS OF ATTORNEY GRANTED TO THEM BY SUCH DIRECTORS**

C Rowlinson  
*Chief Executive Officer*

30 August 2017

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**SHARE PRICE HISTORY OF M-FITEC**


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The highest, lowest and closing prices of the Company's Shares, together with the aggregated monthly volumes, traded on the JSE for each of the 12 months preceding the Last Practicable Date are set out in the table below.

| <b>Month ended</b> | <b>High<br/>(cents)</b> | <b>Low<br/>(cents)</b> | <b>Close<br/>(cents)</b> | <b>Volume</b> |
|--------------------|-------------------------|------------------------|--------------------------|---------------|
| August 2016        | 1100                    | 1100                   | 1100                     | -             |
| September 2016     | 1100                    | 1100                   | 1100                     | -             |
| October 2016       | 1110                    | 1095                   | 1100                     | 23 000        |
| November 2016      | 1100                    | 1100                   | 1100                     | 1 000         |
| December 2016      | 1101                    | 1100                   | 1100                     | -             |
| January 2017       | 1150                    | 1100                   | 1150                     | -             |
| February 2017      | 1200                    | 1150                   | 1200                     | -             |
| March 2017         | 1200                    | 1125                   | 1200                     | -             |
| April 2017         | 1200                    | 1200                   | 1200                     | -             |
| May 2017           | 1200                    | 1200                   | 1200                     | 15            |
| June 2017          | 1175                    | 975                    | 975                      | 1 100 532     |
| July 2017          | 970                     | 880                    | 880                      | 25 102        |

The highest, lowest and closing prices of the Company's Shares, together with the daily volumes, traded on the JSE for the 30 Business Days preceding the Last Practicable Date are set out in the table below.

| <b>Day ended</b> | <b>High<br/>(cents)</b> | <b>Low<br/>(cents)</b> | <b>Close<br/>(cents)</b> | <b>Volume</b> |
|------------------|-------------------------|------------------------|--------------------------|---------------|
| 6 July 2017      | -                       | -                      | 975                      | -             |
| 7 July 2017      | -                       | -                      | 975                      | -             |
| 10 July 2017     | -                       | -                      | 975                      | -             |
| 11 July 2017     | -                       | -                      | 975                      | -             |
| 12 July 2017     | 900                     | 900                    | 900                      | 24 062        |
| 13 July 2017     | -                       | -                      | 900                      | -             |
| 14 July 2017     | -                       | -                      | 900                      | -             |
| 17 July 2017     | 970                     | 970                    | 970                      | 520           |
| 18 July 2017     | -                       | -                      | 970                      | -             |
| 19 July 2017     | -                       | -                      | 970                      | -             |
| 20 July 2017     | 880                     | 880                    | 880                      | 520           |
| 21 July 2017     | -                       | -                      | 880                      | -             |
| 24 July 2017     | -                       | -                      | 880                      | -             |
| 25 July 2017     | -                       | -                      | 880                      | -             |
| 26 July 2017     | -                       | -                      | 880                      | -             |
| 27 July 2017     | -                       | -                      | 880                      | -             |
| 28 July 2017     | -                       | -                      | 880                      | -             |
| 31 July 2017     | -                       | -                      | 880                      | -             |
| 1 August 2017    | -                       | -                      | 880                      | -             |
| 2 August 2017    | -                       | -                      | 880                      | -             |

| <b>Day ended</b> | <b>High<br/>(cents)</b> | <b>Low<br/>(cents)</b> | <b>Close<br/>(cents)</b> | <b>Volume</b> |
|------------------|-------------------------|------------------------|--------------------------|---------------|
| 3 August 2017    | -                       | -                      | 880                      | -             |
| 4 August 2017    | -                       | -                      | 880                      | -             |
| 7 August 2017    | -                       | -                      | 880                      | -             |
| 8 August 2017    | -                       | -                      | 880                      | -             |
| 10 August 2017   | -                       | -                      | 880                      | -             |
| 11 August 2017   | -                       | -                      | 880                      | -             |
| 14 August 2017   | -                       | -                      | 880                      | -             |
| 15 August 2017   | -                       | -                      | 880                      | -             |
| 16 August 2017   | 920                     | 920                    | 920                      | 156           |
| 17 August 2017   | -                       | -                      | 920                      | -             |

Source: JSE



**M FiTEC International Limited**  
Incorporated in the Republic of South Africa  
(Registration number 2015/195093/06)  
Share code: MFI ISIN: ZAE000209607  
("M-FiTEC" or "the Company")

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## **NOTICE OF GENERAL MEETING**

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The definitions and interpretations commencing on page 6 of the Circular to which this notice of General Meeting is attached, apply *mutatis mutandis* to this notice of General Meeting and to the special and ordinary resolutions ("Resolutions") set out herein.

If you are in any doubt as to what action you should take in respect of the following Resolutions, please consult your CSDP, broker, banker, attorney, accountant or other professional adviser immediately.

Notice is hereby given that a General Meeting of Shareholders of the Company will be held at 10:00 on Wednesday, 20 September 2017 at Augusta @ Inanda Greens, 54 Wierda Road, Sandton, 2196 to consider, and, if deemed fit, to pass, with or without modification, the following Resolutions.

The Board has determined that, in terms of section 62(3)(a), as read with section 59 of the Companies Act, the record date for the purposes of determining which shareholders of the Company are entitled to participate in and vote at the General Meeting is Friday, 8 September 2017. Accordingly, the last day to trade M-FiTEC Shares in order to be recorded in the Company's securities register to be entitled to vote will be Tuesday, 5 September 2017.

### **SPECIAL RESOLUTION NUMBER 1 – APPROVAL OF THE CAPITAL DISTRIBUTION AND VOLUNTARY LIQUIDATION**

**"RESOLVED THAT**, the Capital Distribution and Voluntary Liquidation be and is hereby approved in terms of the Listings Requirements."

### **ORDINARY RESOLUTION NUMBER 1 – AUTHORITY GRANTED TO DIRECTORS**

**"Resolved that** each Director of M-FiTEC be and is hereby individually authorised, on behalf of M-FiTEC, to enter into, sign and/or dispatch any and all such agreements, documents and notices, as may be necessary, expedient or desirable (in each case in the opinion of such Director) and do all such other things and procure the doing of all such things as may be necessary for or incidental to the implementation of those Resolutions to be proposed at the General Meeting, and should any such agreements, documents or notices have been signed, or any such action taken before the date of this resolution, such signature or action be and is hereby ratified and approved."

#### **Explanatory note**

The adoption of this Ordinary Resolution Number 1 will authorise any Director of the Company to execute all documents and do all such further acts and things as he may in his discretion consider appropriate to implement and give effect to the Resolutions set out in this notice of General Meeting.

## VOTING AND PROXIES

For an Ordinary Resolution to be adopted at the General Meeting, it must be supported by more than 50% of the voting rights exercised on the Resolution, excluding any Related Party/ies and associates, as the case may be.

For a Special Resolution to be adopted at the General Meeting, it must be supported by more than 75% of the voting rights exercised on the Resolution, excluding any Related Party/ies and associates, as the case may be.

A Shareholder entitled to attend and vote at the General Meeting is entitled to appoint a proxy or proxies to attend, speak and vote in his/her stead. A proxy need not be a Shareholder of the Company. For the convenience of registered Shareholders of the Company, a form of proxy is enclosed herewith.

The attached form of proxy is only to be completed by those Shareholders who:

- hold Shares in M-FiTEC in Certificated form; or
- are recorded on the electronic sub-register in "own name" Dematerialised form.

Shareholders who have Dematerialised their Shares through a CSDP or broker without "own name" registration and who wish to attend the General Meeting, must instruct their CSDP or broker to provide them with the relevant letter of representation to attend the General Meeting in person or by proxy and vote.

If they do not wish to attend in person or by proxy, they must provide the CSDP or broker with their voting instructions in terms of the relevant custody agreement entered into between them and the CSDP or broker.

Shareholders who hold Dematerialised Shares which are registered in their name or if they are the registered holder of Certificated Shares may attend the General Meeting in person, alternatively, they may appoint a proxy or proxies, who need not be a Shareholder of the Company to represent them at the General Meeting by completing the attached form of proxy in accordance with the instructions it contains. Forms of proxy should be forwarded to reach the Transfer Secretaries, Singular Systems Proprietary Limited, at least 48 hours, excluding Saturdays, Sundays and South African public holidays, before the time of the General Meeting. Any form of proxy not delivered by this time may be handed to the Chairperson of the General Meeting immediately before the appointed proxy exercises any of the Shareholder's votes at the General Meeting.

**Meeting participants, which include proxies, are required to provide identification reasonably satisfactory to the Chairperson of the General Meeting before being entitled to attend, participate in or vote a Shareholders' meeting. The Company will regard the presentation of participants' original drivers' licences, identity documents or passports to be satisfactory "identification".**

By order of the Board

**Acorim Proprietary Limited**  
Company Secretary

**Johannesburg**  
30 August 2017

**Registered office**  
Augusta @ Inanda Greens  
54 Wierda Road  
Sandton, 2196  
(PO Box 41480, Craighall, 2024)



**Transfer Secretaries**

Singular Systems Proprietary Limited  
(Registration number: 2002/001492/07)  
Authorised Financial Services Provider (FSP No. 44330)  
28 Fort Street  
Birnam  
Johannesburg, 2196  
(PO Box 785261, Sandton 2146)



**M FiTEC International Limited**  
 Incorporated in the Republic of South Africa  
 (Registration number 2015/195093/06)  
 Share code: MFI ISIN: ZAE000209607  
 ("M-FiTEC" or "the Company")

**FORM OF PROXY**

For use only by M-FiTEC Shareholders who:

- hold Shares in Certificated form ("Certificated Shareholders"); or
- have Dematerialised their Shares ("Dematerialised Shareholders") and are registered with "own-name" registration,

at the General Meeting of Shareholders of the Company to be held at 10:00 on Wednesday, 20 September 2017 at Augusta @ Inanda Greens, 54 Wierda Road, Sandton, 2196.

Dematerialised Shareholders holding Shares other than with "own-name" registration, who wish to attend the General Meeting must inform their Central Securities Depository Participant ("CSDP") or broker of their intention to attend the General Meeting and request their CSDP or broker to issue them with the relevant letter of representation to attend the General Meeting in person or by proxy and vote. If they do not wish to attend the General Meeting in person or by proxy, they must provide their CSDP or broker with their voting instructions in terms of the relevant Custody Agreement entered into between them and the CSDP or broker. **These Shareholders must not use this form of proxy.**

I/We

(full name/s in block letters)

of (address)

Telephone work ( )

Telephone home ( )

Cellphone number

Email address

being the holder/custodian of  shares of the Company, hereby appoint (see note):  
 1.  or failing him/her,

2.  or failing him/her,

3. the Chairperson of the General Meeting,

as my/our proxy to attend and act for me/us on my/our behalf at the General Meeting of the Company convened for purpose of considering and, if deemed fit, passing, with or without modification, the resolutions to be proposed thereat and at each postponement or adjournment thereof, and to vote for and/or against such resolutions, and/or to abstain from voting for and/or against the resolutions, in respect of the Shares registered in my/our name in accordance with the following instructions:

|   | Number of shares |         |         |
|---|------------------|---------|---------|
|   | For              | Against | Abstain |
| <b>Special Resolution Number 1 – Approval of the Capital Distribution and Voluntary Liquidation</b> |                  |         |         |
| <b>Ordinary Resolution Number 1 - Authority granted to Directors</b>                                |                  |         |         |

Please indicate instructions to proxy in the space provided above by the insertion therein of the relevant number of votes exercisable.

Signed at \_\_\_\_\_ on \_\_\_\_\_ 2017

Signature \_\_\_\_\_

Assisted by (where applicable) \_\_\_\_\_

Each Shareholder is entitled to appoint one or more proxies (who need not be a Shareholder of the Company) to attend, speak and vote in place of that Shareholder at the General Meeting.

## Notes

1. Summary of Rights Contained in Section 58 of the Companies Act, 2008 (Act 71 of 2008), as amended ("Companies Act")

### **In terms of section 58 of the Companies Act:-**

- **a shareholder may, at any time and in accordance with the provisions of section 58 of the Companies Act, appoint any individual (including an individual who is not a shareholder) as a proxy to participate in, and speak and vote at, a shareholders meeting on behalf of such shareholder;**
  - **a proxy may delegate her or his authority to act on behalf of a shareholder to another person, subject to any restriction set out in the instrument appointing such proxy;**
  - **irrespective of the form of instrument used to appoint a proxy, the appointment of a proxy is suspended at any time and to the extent that the relevant shareholder chooses to act directly and in person in the exercise of any of such shareholder's rights as a shareholder;**
  - **irrespective of the form of instrument used to appoint a proxy, any appointment by a shareholder of a proxy is revocable, unless the form of instrument used to appoint such proxy states otherwise;**
  - **if an appointment of a proxy is revocable, a shareholder may revoke the proxy appointment by: (i) cancelling it in writing, or making a later inconsistent appointment of a proxy and (ii) delivering a copy of the revocation instrument to the proxy and to the company; and**
  - **a proxy appointed by a shareholder is entitled to exercise, or abstain from exercising, any voting right of such shareholder without direction, except to the extent that the relevant company's memorandum of incorporation, or the instrument appointing the proxy, provides otherwise (see note 6).**
2. The form of proxy must only be used by Shareholders who hold Shares in certificated form or who are recorded on the sub-register in electronic form in "own name".
  3. All other beneficial owners who have Dematerialised their Shares through a CSDP or broker and wish to attend the General Meeting must provide the CSDP or broker with their voting instructions in terms of the relevant Custody Agreement entered into between them and the CSDP or broker.
  4. A Shareholder entitled to attend and vote at the General Meeting may insert the name of a proxy or the names of two alternate proxies of the Shareholder's choice in the space provided, with or without deleting "the Chairperson of the General Meeting". The person whose name stands first on the form of proxy and who is present at the General Meeting will be entitled to act as proxy to the exclusion of such proxy(ies) whose names follow.
  5. A Shareholder is entitled to one vote on a show of hands and, on a poll, one vote in respect of each ordinary Share held. A Shareholder's instructions to the proxy must be indicated by the insertion of the relevant number of votes exercisable by that Shareholder in the appropriate space provided. If an "X" has been inserted in one of the blocks to a particular resolution, it will indicate the voting of all the Shares held by the Shareholder concerned. Failure to comply with this will be deemed to authorise the proxy to vote or to abstain from voting at the General Meeting as he/she deems fit in respect of all the Shareholder's votes exercisable thereat. A Shareholder or the proxy is not obliged to use all the votes exercisable by the Shareholder or by the proxy, but the total of the votes cast and in respect of which abstention is recorded may not exceed the total of the votes exercisable by the Shareholder or the proxy.
  6. A vote given in terms of an instrument of proxy shall be valid in relation to the General Meeting, notwithstanding the death, insanity or other legal disability of the person granting it, or the revocation of the proxy, or the transfer of the Shares in respect of which the proxy is given, unless notice as to any of the aforementioned matters shall have been received by the Company's Transfer Secretaries, Computershare Investor Services Proprietary Limited, not less than 48 (forty-eight) hours before the commencement of the General Meeting.
  7. If a Shareholder does not indicate on this form of proxy that his/her proxy is to vote in favour of or against any resolution or to abstain from voting, or gives contradictory instructions, or should any further resolution(s) or any amendment(s) which may properly be put before the General Meeting be proposed, such proxy shall be entitled to vote as he/she thinks fit.

8. The Chairperson of the General Meeting may reject or accept any form of proxy which is completed and/or received other than in compliance with these notes.
9. A Shareholder's authorisation to the proxy including the Chairperson of the General Meeting, to vote on such Shareholder's behalf, shall be deemed to include the authority to vote on procedural matters at the General Meeting.
10. The completion and lodging of this form of proxy will not preclude the relevant Shareholder from attending the General Meeting and speaking and voting in person thereat to the exclusion of any proxy appointed in terms hereof.
11. Documentary evidence establishing the authority of a person signing the form of proxy in a representative capacity must be attached to this form of proxy, unless previously recorded by the Transfer Secretaries or is waived by the Chairperson of the General Meeting.
12. A minor or any other person under legal incapacity must be assisted by his/her parent or guardian, as applicable, unless the relevant documents establishing his/her capacity are produced or have been registered by the Transfer Secretaries.
13. Where there are joint holders of Shares:
  - any one holder may sign the form of proxy;
  - the vote(s) of the senior Shareholders (for that purpose seniority will be determined by the order in which the names of Shareholders appear in the Company's register of ordinary Shareholders) who tenders a vote (whether in person or by proxy) will be accepted to the exclusion of the vote(s) of the other joint Shareholder(s).
14. Forms of proxy should be lodged with or mailed to the Transfer Secretaries:

**Hand deliveries to:**

Singular Systems Proprietary Limited  
28 Fort Street  
Birnam  
Johannesburg, 2196

**Postal deliveries to:**

Singular Systems Proprietary Limited  
PO Box 785261  
Sandton  
2146

to be received by no later than 10:00 on Friday, 15 September 2017 (or 48 (forty-eight) hours before any adjournment of the General Meeting which date, if necessary, will be notified on the Stock Exchange News Service of JSE Limited) or may be handed to the Chairperson of the meeting immediately before the appointed proxy exercises any of the Shareholder's votes at the General Meeting.

15. A deletion of any printed matter and the completion of any blank space need not be signed or initialled. Any alteration or correction must be signed and not merely initialled.