

**Cartrack Holdings Limited**  
(Incorporated in the Republic of South Africa)  
(Registration Number: 2005/036316/06)  
JSE share code: CTK  
ISIN: ZAE000198305  
("Cartrack" or "Company")

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## **POSTING OF CIRCULAR, NOTICE OF SCHEME MEETING AND NOTICE OF GENERAL MEETING**

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*Unless otherwise defined, all capitalised terms used in this announcement shall bear the same meanings in the Circular (defined below).*

### **POSTING OF CIRCULAR**

Cartrack Shareholders are referred to the announcement published on SENS on Thursday, 7 January 2021 regarding:

➤ **The Scheme of Arrangement**

- a cash offer by Karooooo (the controlling shareholder of Cartrack holding 67.78% (sixty seven point seven eight percent) of the issued shares of Cartrack and which is wholly owned by Mr Isaias Jose "Zak" Calisto, the founder and Group Chief Executive Officer of the Cartrack Group, to acquire all the Cartrack Shares, other than those held by the Excluded Shareholders, by way of a scheme of arrangement in terms of section 114(1) (read with section 115) of the Companies Act, proposed by the Cartrack Board between Cartrack and the Eligible Cartrack Shareholders, in terms of which, if the Scheme becomes operative, Karooooo will acquire the Scheme Shares from the Scheme Participants for a cash consideration of ZAR42.00 (forty two Rand) per Scheme Share; and
- the subsequent Delisting of the Cartrack Shares from the Main Board of the JSE, in the event that the Scheme becomes operative;

➤ **The Listings and the Reinvestment Offer**

- the Reinvestment Offer to be made by Karooooo to Eligible Cartrack Shareholders, who become Scheme Participants, in conjunction with the Scheme whereby, in the event that the Scheme becomes operative, Eligible Cartrack Shareholders, who become Scheme Participants, whether or not they voted in favour of the Scheme, will have the ability to continue participating in the long-

term value, benefits and strong growth opportunities of the Cartrack Group by electing to utilise up to a maximum of their Scheme Consideration received pursuant to the Scheme to subscribe for Karooooo Shares at the same value in accordance with the Reinvestment Entitlement Ratio, resulting in the value of the Scheme Participants' effective interest in Cartrack remaining unchanged after full reinvestment and prior to any primary capital raise that may be undertaken by Karooooo; and

- the primary listing of the Karooooo Shares on the NASDAQ and the inward secondary listing on the JSE, in the event that the Proposed Transaction becomes operative; and

➤ **The Specific Repurchase**

the Specific Repurchase by Cartrack of the Cartrack Trust Shares from the Cartrack Trust for the Specific Repurchase Consideration.

Cartrack Shareholders are advised that the Company has today, Tuesday, 19 January 2021, issued a circular (the "**Circular**") relating to the Scheme, the Reinvestment Offer and the Specific Repurchase. The Circular contains, *inter alia*, the full terms and conditions of each of the Scheme and the Specific Repurchase, salient details of the Reinvestment Offer and the Listings, the important indicative dates and times and details of actions to be taken by Cartrack Shareholders. Cartrack Shareholders should read the Circular in its entirety.

Participating in the Scheme or participating in and voting at the Scheme Meeting and/or the General Meeting does not constitute the participation in, or acceptance of, the Reinvestment Offer. Should they wish to do so, Eligible Cartrack Shareholders, who become Scheme Participants, will be responsible for participating in and accepting the Reinvestment Offer to be made by Karooooo, pursuant to the Karooooo Prospectus. For full and detailed information on the Reinvestment Offer, Scheme Participants will be required to refer to the Karooooo Prospectus when made available by Karooooo following the Scheme Meeting. Subject to certain restrictions relating to restricted jurisdictions, the exact date and time of the availability of the Karooooo Prospectus will be notified to Scheme Participants in due course.

A copy of the Circular will be available on the Company's website <https://www.cartrack.co.za/investor-relations>, free of charge, subject to certain restrictions relating to those seeking to access the Circular from the United States or other restricted jurisdictions, from the date of issue of the Circular until the date of the Meetings. For the avoidance of any doubt, the content of the website referred to above and otherwise in this announcement is not incorporated into and does not form part of this announcement or the Circular.

**FAIR AND REASONABLE OPINION AND RECOMMENDATION**

The Independent Board appointed BDO Corporate Finance Proprietary Limited to act as Independent Expert, as required in terms of section 114(2) of the Companies Act and regulation 110 of the Takeover Regulations, to provide it with external advice in relation to the Scheme and to make appropriate recommendations to the Independent Board in the form of a fair and reasonable opinion.

Taking into consideration the terms and conditions of the Scheme, the Independent Expert is of the opinion that such terms and conditions are fair and reasonable to Cartrack Shareholders. Cartrack Shareholders are

referred to Annexure A of the Circular, which sets out the full text of the report of the Independent Expert regarding the Scheme.

The Independent Board, after due consideration of the report of the Independent Expert regarding the Scheme, and in accordance with its responsibilities in terms of regulation 110 of the Takeover Regulations, has formed a view of the range of the fair value of the Scheme Shares, which accords with the valuation range contained in the Independent Expert's opinion.

The Independent Board, taking into account the report of the Independent Expert regarding the Scheme, has considered the terms and conditions thereof, and is unanimously of the opinion that the terms and conditions of the Scheme are fair and reasonable to Cartrack Shareholders and, accordingly, recommends that Cartrack Shareholders vote in favour of the Scheme Resolutions at the Scheme Meeting.

Each of the non-independent members of the Cartrack Board, other than Calisto, recommends that Cartrack Shareholders vote in favour of the Scheme Resolutions at the Scheme Meeting and, accordingly, the Cartrack Board unanimously recommends that Cartrack Shareholders vote in favour of the Scheme at the Scheme Meeting.

## **SCHEME MEETING AND PROCESS TO PARTICIPATE IN THE SCHEME MEETING**

### **Scheme Meeting**

Eligible Cartrack Shareholders are invited to participate in the Scheme Meeting at 11:00 on Wednesday, 17 February 2021 (or immediately after the conclusion or adjournment of the General Meeting), or at any other adjourned or postponed date and time determined in accordance with the provisions of the Companies Act and the JSE Listings Requirements, convened in terms of the Notice of Scheme Meeting incorporated in the Circular, for purposes of considering and, if deemed fit, passing, with or without modification, the Scheme Resolutions.

In light of the restrictions on public gatherings pursuant to the regulations issued in terms of section 27(2) of the DMA arising from the COVID-19 pandemic, and in accordance with the provisions of the Companies Act and the Cartrack MOI, the Scheme Meeting will be conducted entirely through electronic communication. The decision has been taken by the Board that it is appropriate to hold the Scheme Meeting entirely by electronic communication in accordance with the provisions of clause 20.5 of the MOI read with section 63(2) of the Companies Act.

### **Process to participate in the Scheme Meeting**

If you experience any difficulty with (i) the registration process set out below, or (ii) logging into the Scheme Meeting (by 11:00, Wednesday, 17 February 2021 (or immediately after the conclusion or adjournment of the General Meeting)) you should request an agent of the Transfer Secretaries to assist with such difficulty by emailing the following email address: proxy@computershare.co.za.

**Step 1:**

Should you wish to participate in the Scheme Meeting, you will be required to pre-register your personal details to enable you to participate in the Scheme Meeting by taking the following action:

- register online at [www.smartagm.co.za](http://www.smartagm.co.za) by no later than 11:00 on Monday, 15 February 2021. You may still register online to participate in and/or vote electronically at the Scheme Meeting after this date and time, provided, however, that for you to participate and/or vote electronically at the Scheme Meeting, you must be verified and registered before the commencement of the Scheme Meeting; and
- upload proof of identification (e.g. valid South African identity document, South African driver's license or passport), as well provide the following details: your name, surname, email address and contact number.

If you have Dematerialised your Cartrack Shares without "own name" registration then you must, in addition to the actions listed above, request your CSDP or Broker to provide you with the necessary authority (i.e. letter of representation) in terms of the Custody Agreement entered into between you and your CSDP or Broker and upload same.

**Step 2**

Following successful completion of the registration process contemplated above, you will be required to connect to the Scheme Meeting by using the link below and following the relevant prompts:

<https://web.lumiagm.com>

Download the Lumi AGM app from the Apple App or Google Play Stores by searching for Lumi AGM.

Visit <https://web.lumiagm.com> on your smartphone, tablet or computer. You will need the latest versions of Chrome, Safari, Internet Explorer 11, Edge or Firefox. Please ensure your browser is compatible.

Once you have either downloaded the Lumi AGM app or entered <https://web.lumiagm.com> into your web browser, you will be prompted to enter the Meeting ID, being Meeting ID: **186-288-357**.

Once you have successfully entered the Meeting ID, you will then be required to enter your username and password, both of which shall have been emailed to you following completion of the registration process contemplated above.

When you are successfully authenticated, the info screen will be displayed. You can view company information, ask questions and watch the webcast.

If you would like to watch the webcast press the broadcast icon at the bottom of the screen.

If viewing on a computer, the webcast will appear at the side automatically once the meeting has started.

**Step 3**

Shareholders connecting to the Scheme Meeting will be able to participate in the Scheme Meeting.

The chairman will open voting on the Scheme Resolutions at the start of the Scheme Meeting. Once the voting has opened, the polling icon will appear on the navigation bar at the bottom of the screen. From here, the Scheme Resolutions and voting choices will be displayed.

To vote, simply select your voting direction from the options shown on screen. A confirmation message will appear to show that your vote has been received. The confirmation of your vote being received shall be depicted as follows: For - Vote received

To change your vote, simply select another direction. If you wish to cancel your vote, press "Cancel".

Once the chairman has opened voting, voting can be performed at any time during the Scheme Meeting until the chairman closes the voting on the Scheme Resolutions. At that point your last choice will be submitted.

Every Scheme Member shall, on a poll, have that proportion of the total votes in Cartrack which the aggregate amount of the nominal value of the Cartrack Shares held by that Scheme Member bears to the aggregate of the nominal value of all the Cartrack Shares issued by Cartrack.

Although voting will be permitted by way of electronic communication, you are strongly encouraged to submit your votes by proxy before the Scheme Meeting.

## **GENERAL MEETING AND PROCESS TO PARTICIPATE IN THE GENERAL MEETING**

### **General Meeting**

Cartrack Shareholders are invited to participate in the General Meeting at 10:00 on Wednesday, 17 February 2021, or at any other adjourned or postponed date and time determined in accordance with the provisions of the Companies Act and the JSE Listings Requirements, convened in terms of the Notice of General Meeting incorporated in the Circular, for purposes of considering and, if deemed fit, passing, with or without modification, the General Resolutions.

In light of the restrictions on public gatherings pursuant to the regulations issued in terms of section 27(2) of the DMA arising from the COVID-19 pandemic, and in accordance with the provisions of the Companies Act and the Cartrack MOI, the General Meeting will be conducted entirely through electronic communication.

### **Process to participate in the General Meeting**

If you experience any difficulty with (i) the registration process set out below, or (ii) logging into the General Meeting (by 10:00 on Wednesday, 17 February 2021) you should request an agent of the Transfer Secretaries to assist with such difficulty by emailing the following email address: [proxy@computershare.co.za](mailto:proxy@computershare.co.za).

#### **Step 1**

Should you wish to participate in the General Meeting you will be required to pre-register your personal details to enable you to participate in the General Meeting by taking the following action:

- register online at [www.smartagm.co.za](http://www.smartagm.co.za) by no later than 10:00 on Monday, 15 February 2021. You may still register online to participate in and/or vote electronically at the General Meeting after this date and time, provided, however, that for you to participate and/or vote electronically at the General Meeting, you must be verified and registered before the commencement of the General Meeting; and
- upload proof of identification (e.g. valid South African identity document, South African driver's license or passport), as well provide the following details: your name, surname, email address and contact number.

If you have Dematerialised your Cartrack Shares without "own name" registration then you must in addition to the actions listed above, request your CSDP or Broker to provide you with the necessary authority (i.e. letter of representation) in terms of the Custody Agreement entered into between you and your CSDP or Broker and upload same.

## Step 2

Same as Step 2 for "Process to participate in the Scheme Meeting" set out above.

## Step 3

Same as step 3 for "Process to participate in the Scheme Meeting" set out above.

## IMPORTANT INDICATIVE DATES AND TIMES

The dates given below are based on the Company's current expectations and may be subject to change. All dates and times are indicative only and will depend on, *inter alia*, the fulfilment or (to the extent capable of waiver) the waiver of the Conditions Precedent. The Company will give notice of any change to the expected timetable by issuing an announcement on SENS and by publishing such changes on its website [www.cartrack.co.za](http://www.cartrack.co.za).

### 2021

Record date to determine which Cartrack Shareholders are eligible to receive the Circular and Notices ( <b>Record Date</b> )	Friday, 08 January
Circular posted to Cartrack Shareholders and Notices on SENS on	Tuesday, 19 January
Notices published in the South African press on	Wednesday, 20 January
Last day to trade in Cartrack Shares in order to be eligible to attend, participate in and vote at the Meetings ( <b>Voting Last day to Trade</b> )	Tuesday, 09 February

Record date to be eligible to attend, participate in and vote at the Meetings, being the <b>Voting Record Date</b> , by close of trade	Friday, 12 February
Recommended last date and time to lodge Forms of Proxy ( <i>green</i> ), for administrative purposes, in respect of the General Meeting with the Transfer Secretaries by 10:00 (SAST) on	Monday, 15 February
Last date and time to deliver a written notice to participate electronically in the General Meeting with the Transfer Secretaries by 10:00 (SAST) on	Monday, 15 February
Recommended last date and time to lodge Forms of Proxy ( <i>blue</i> ), for administrative purposes, in respect of the Scheme Meeting with the Transfer Secretaries by 11:00 (SAST) on	Monday, 15 February
Last date and time to deliver a written notice to participate electronically in the Scheme Meeting with the Transfer Secretaries by 11:00 (SAST) on	Monday, 15 February
Last day for any Scheme Members to deliver a written notice to Cartrack objecting to the Scheme Special Resolution in accordance with section 164(3) of the Companies Act before the relevant resolution is to be voted on at the Scheme Meeting on	Wednesday, 17 February
<b>General Meeting</b> to be held entirely by electronic communication at 10:00 on	Wednesday, 17 February
<b>Scheme Meeting</b> to be held entirely by electronic communication at 11:00 (or immediately after the conclusion or adjournment of the General Meeting) on	Wednesday, 17 February
Results of the Meetings released on SENS on	Wednesday, 17 February
Results of the Meetings published in the South African press on	Thursday, 18 February
<b><i>If the Scheme is duly approved by the Scheme Members at the Scheme Meeting</i></b>	
Last date for Scheme Members who voted against the Scheme Special Resolution to require Cartrack to seek Court approval for the Scheme in terms of section 115(3)(a) of the Companies Act, if the Scheme Special Resolution was opposed by at least 15% (fifteen percent) of the total voting rights that were exercised on	Wednesday, 24 February
Last day on which Scheme Members who voted against the Scheme Special Resolution to apply to Court for leave to apply for a review of the Scheme in terms of section 115(3)(b) of the Companies Act on	Wednesday, 03 March
Last date for Cartrack to give notice of adoption of the Scheme Special Resolution to Scheme Members who delivered written notices to Cartrack objecting to the relevant special resolutions in accordance with section 164 of the Companies Act	Wednesday, 03 March
Last day for Dissenting Shareholders, by reason of the adoption of the Scheme Special Resolution to make a demand to Cartrack that Cartrack pay such Dissenting Shareholders the fair value of all Cartrack Shares held by them, in terms of section 164(7) of the Companies Act on	Thursday, 01 April

**The following dates assume that no Court approval or review of the Scheme is required and will be confirmed in the finalisation announcement if the Scheme becomes unconditional:**

Compliance certificate to be received from the TRP on	Wednesday, 17 March
Expected Implementation Date of the Specific Repurchase ( <b>Specific Repurchase Implementation Date</b> )	Thursday, 18 March
Finalisation announcement expected to be released on SENS on ( <b>Scheme Finalisation Date</b> )	Thursday, 18 March
Finalisation announcement expected to be published in the South African press on	Friday, 19 March
Application for the delisting of the Cartrack Shares lodged with the JSE on	Wednesday, 24 March
Expected Scheme Last day to Trade, being the last day to trade Cartrack Shares on the JSE in order to be recorded in the Register to receive the Scheme Consideration (or part thereof) ( <b>Scheme Last Day to Trade</b> )	Monday, 29 March
Expected suspension of listing of Cartrack Shares from the Main Board of the JSE at commencement of trading on	Tuesday, 30 March
Last day to deliver Forms of Surrender and Transfer ( <i>pink</i> ) and Documents of Title (in order to receive the Scheme Consideration (or part thereof) on the Scheme Operative Date) to be received by the Transfer Secretaries, by 12h00 (SAST) on	Thursday, 01 April
Expected <b>Scheme Consideration Record Date</b> , being the date on which Scheme Members must be recorded in the Register in order to be eligible to receive the Scheme Consideration, by close of trade on	Thursday, 01 April
Expected Scheme Operative Date on or about	Tuesday, 06 April
Dematerialised Scheme Participants expected to have their accounts (held at their CSDP or broker) debited with the Scheme Shares and credited with the Scheme Consideration (or part thereof) on	Tuesday, 06 April
Expected date of payment of the Scheme Consideration (or part thereof) to be settled electronically or posted to Certificated Scheme Participants (if the Form of Surrender and Transfer ( <i>pink</i> ) and Documents of Title are received by the Transfer Secretaries by 12:00 on the Scheme Consideration Record Date) on	Tuesday, 06 April
Expected termination of listing of Cartrack Shares on the Main Board of the JSE at the commencement of trade on	Wednesday, 07 April

**Notes:**

1. All of the above dates and times are subject to change by mutual agreement between Cartrack and Karoo000 and with the approval of the JSE and/or TRP. The dates have been determined based on certain assumptions regarding the dates by which certain regulatory approvals including, but not limited to, that of the JSE and TRP, will be obtained and that no Court approval or review of the Scheme will be required. Any change will be released on SENS and published in the South African press.
2. Cartrack Shareholders should note that as transactions in Cartrack Shares are settled in the electronic settlement system used by Strate, settlement of trades takes place 3 (three) Business Days after such trade. Therefore persons who acquire Cartrack Shares after the Voting Last Day to Trade (expected to be Tuesday, 09 February 2021) will not be eligible to vote at the Meetings but will, provided the Scheme is approved and they acquire the Cartrack Shares on or prior to the Scheme Last Day to Trade



(expected to be Monday, 29 March 2021), participate in the Scheme (i.e. dispose of their Scheme Shares in accordance with the Scheme for the Scheme Consideration).

3. In light of the COVID-19 pandemic restrictions, it is requested that Forms of Proxy (and valid supporting identification documents) be delivered, in accordance with the instructions contained therein, so as to reach the Transfer Secretaries by no later than 48 (forty eight) hours before the Meeting that is to be held on Wednesday, 17 February 2021, i.e. by 10:00 on Monday, 15 February 2021, in respect of the General Meeting, and by 11:00 on Monday, 15 February 2021 in respect of the Scheme Meeting, so as to assist Cartrack to timeously verify the identity of the Cartrack Shareholders and their proxies who wish to participate by electronic communication at the Meeting. The applicable Form of Proxy may be lodged in respect of the Meeting immediately prior to the due commencement of the Meeting, in accordance with the instructions therein, by emailing those Forms of Proxy to the Transfer Secretaries. However, please bear in mind that the reason why Cartrack Shareholders are asked to send in their Forms of Proxy before the Meeting is because Cartrack has over 1400 (one thousand four hundred) Cartrack Shareholders and the scrutineers must consider each proxy to determine whether it is validly given and whether the voting rights have been correctly inserted. Significant delays could be caused at the Meetings, if these checks have to be carried out by the scrutineers while the Meeting is in progress.
4. If the Scheme Meeting and/or General Meeting is adjourned or postponed, Forms of Proxy submitted for the initial Scheme Meeting and/or General Meeting will remain valid in respect of any adjournment or postponement of the Scheme Meeting and/or General Meeting.
5. Unless otherwise indicated, all times given in this announcement and the Circular are South African Standard Time (SAST).
6. If the Scheme becomes operative, share certificates may not be Dematerialised or re-materialised after the Scheme Last Day to Trade.
7. If any Scheme Member who votes against the Scheme Special Resolution exercises its rights in terms of section 115(3)(b) of the Companies Act and applies to Court for a review of the Scheme, the dates and times set out above will need to be amended. Cartrack Shareholders will be notified separately of the applicable dates and times under this process.
8. All dates and times applicable to the Reinvestment Offer will be set out in detail in the Karooooo Prospectus which will be made available to Scheme Participants following the Scheme Meeting (which is expected to be on or about Wednesday, 17 February 2021) but prior to the Scheme Operative Date (which is expected to be on or about Tuesday, 06 April 2021). The exact date and time of the availability of the Karooooo Prospectus will be notified to Scheme Participants in due course.

## **INDEPENDENT BOARD RESPONSIBILITY STATEMENT**

The Independent Board, individually and collectively, accepts full responsibility for the accuracy of the information contained in this announcement to the extent that it relates to Cartrack. In addition, the Independent Board certifies that to the best of its knowledge and belief, the information contained in this announcement is true and, where appropriate, does not omit anything that is likely to affect the importance of the information contained herein pertaining to Cartrack, and that all reasonable enquiries to ascertain such information have been made.

## **KAROOOOO'S RESPONSIBILITY STATEMENT**

The Karooooo Board accepts full responsibility for the accuracy of the information contained in this announcement to the extent that it relates solely to Karooooo. In addition, the Karooooo Board certifies that to the best of its knowledge and belief, the information contained in this announcement solely pertaining to Karooooo is true and, where appropriate, does not omit anything that is likely to affect the importance of the information contained herein solely pertaining to Karooooo, and that all reasonable enquiries to ascertain such information have been made.

Johannesburg

Tuesday, 19 January 2021

**Transaction Sponsor to Cartrack**

Merrill Lynch South Africa Proprietary Limited  
t/a BofA Securities

**South African Legal Adviser and Tax Adviser to Karooooo**

Edward Nathan Sonnenbergs Incorporated

**Joint Financial Advisers to Karooooo**

RAND MERCHANT BANK (a division of FirstRand Bank Limited)

Merrill Lynch (Singapore) Pte. Ltd.

**Independent Expert**

BDO Corporate Finance Proprietary Limited

**South African Legal Adviser to the Independent Board of Cartrack**

Norton Rose Fulbright South Africa Incorporated