

ENX GROUP LIMITED

(Incorporated in the Republic of South Africa)

(Registration number: 2001/029771/06)

Share code: ENX

ISIN: ZAE 000222253

Listed on the General Segment of the Main Board

("enX" or "the Company" or "the Group")



FIRM INTENTION ANNOUNCEMENT REGARDING THE DISPOSAL BY ENX OF ITS REMAINING INTEREST IN WEST AFRICAN INTERNATIONAL

1. INTRODUCTION

- 1.1. enX shareholders ("**Shareholders**") are referred to the announcement released on the Stock Exchange News Service ("**SENS**") on 31 March 2025 ("**Terms Announcement**") in terms of which Shareholders were advised that enX had entered into a Subscription and Options Agreement ("**the Agreement**") with Trichem South Africa Proprietary Limited ("**Trichem SA**"), enX Trading Investments Proprietary Limited ("**enX Trading**"), enX Leasing Investments Proprietary Limited ("**enX Leasing**") and West African International Proprietary Limited ("**WAI**"), pursuant to which:
 - 1.1.1. Trichem SA would subscribe for 66 667 ordinary no par value shares in the share capital of WAI ("**First Subscription Shares**"), equal to 25% of the entire issued ordinary share capital of WAI post issue ("**First Subscription**"); and
 - 1.1.2. Trichem SA would have the option to put the First Subscription Shares to enX Trading ("**Put Option**"); or
 - 1.1.3. Trichem SA would have the option exercisable on written notice at any time during the period from 1 May 2025 until 30 October 2026 ("**Full Ownership Option Period**") to acquire the remaining 75% interest in WAI held by enX Trading ("**Full Ownership Option**"), in the manner set out in paragraph 5 below ("**Transaction**"), failing which Trichem SA would again be entitled for a period of 30 business days following expiry of the Full Ownership Option Period, to exercise the Put Option on written notice to enX Trading.
- 1.2. Shareholders are further referred to the announcement released on SENS on 30 April 2025 whereby Shareholders were advised that the First Subscription had been fully implemented and that the gross proceeds payable as a result of the First Subscription was an amount equal to R107 300 111 (one hundred and seven million three hundred thousand one hundred and eleven Rand) ("**First Subscription Price**").
- 1.3. Shareholders are now advised that Trichem SA has provided prior written notice to the other parties, of its intention to exercise the Full Ownership Option, on the Full Ownership Option exercise date ("**Exercise Notice**"). The terms of the Transaction contained in the Terms Announcement remain substantially unchanged and are repeated in paragraph 5 of this firm intention announcement ("**FIA**") for the purposes of completeness, save that additional detail has been added in certain instances and save for the changes referred to in paragraph 1.7 below.

- 1.4. The disposal of the remaining 75% interest in WAI held by enX Trading pursuant to the Transaction, constitutes a disposal by enX (and its subsidiary enX Trading) of the greater part of its assets or undertaking as contemplated in section 112 (read with section 115) of the Companies Act, No 71 of 2008, as amended ("**Companies Act**") and will therefore constitute an "affected transaction" within the meaning of section 117(1) (c)(i) of the Companies Act and as such be regulated by the Takeover Regulation Panel ("**TRP**") in terms of the Companies Act and the takeover regulations set out in Chapter 5 of the Companies Regulations, 2011 ("**Takeover Regulations**").
- 1.5. Accordingly, this FIA confirms the firm intention by Trichem SA to acquire the remaining 75% interest in WAI in the manner set out herein.
- 1.6. Shareholders should also note that the aggregate of the First Subscription Price and the Full Ownership Option Subscription Price (as defined in 5.1.1 below) was capped when the Agreement was concluded (and remains capped, although it has been lowered) and given that Trichem SA has the sole right to exercise the Full Ownership Option, both the First Subscription and the Transaction individually, or when aggregated, constituted a category 2 transaction in terms of the JSE Limited Listings Requirements ("**Listings Requirements**") when the Agreement was concluded and when the Terms Announcement was released on SENS, which position still prevails. As the Terms Announcement already contained the relevant JSE disclosure for a category 2 transaction, such disclosure has not been repeated in this FIA.
- 1.7. Shareholders are further advised that the parties amended the Agreement in writing on 19 February 2026, in the following material respects ("**Addendum**")—
- 1.7.1. the long stop time for the Full Ownership Option was amended (as set out in paragraph 5.5.1.1 below)
- 1.7.2. the remaining suspensive conditions to the Full Ownership Option (set out in paragraph 5.5 below), were clarified or updated;
- 1.7.3. a minimum Full Ownership Option Subscription Price was agreed and the cap in the aggregate of the First Subscription Price and the Full Ownership Option Subscription Price has been lowered (as specified in paragraph 5.2.1 below);
- 1.7.4. the reference to dividends was deleted from the Full Ownership Option Subscription Price formula (as set out in paragraph 5.2.1 below);
- 1.7.5. the obligation on the Company to pay Trichem SA an amount in the event that Trichem SA is precluded from exercising its Full Ownership Option in the circumstances set out in paragraph 7.3 of the Terms announcement was deleted; and
- 1.7.6. WAI undertook not to (and the Company and enX Trading undertook to procure that WAI shall not), declare or pay any dividend or other distribution, or take any other action in contravention of section 126 (*Restrictions on frustrating action*) of the Companies Act, at any time prior to Trichem SA becoming the sole shareholder of WAI.

2. INFORMATION ABOUT WAI

WAI, a 75% owned subsidiary of enX Trading (which in turn is a wholly owned subsidiary of enX), imports, warehouses and distributes polyolefins, styrenics, rubber and speciality chemicals into the Southern African market and comprises the chemical segment of enX. WAI holds a 57% interest in AGL Empowered Proprietary Limited, which in turn holds 100% of WAG Chemicals Proprietary Limited (which, together with WAI, are referred to as the “**WAI Group**”).

3. INFORMATION ABOUT TRICHEM SA

- 3.1. Trichem SA is a recently established wholly owned South African subsidiary of Tricon Dry Chemicals, LLC, which in turn is 100% owned by Tricon International Holdings, LLC. The latter two companies, Tricon International, Ltd. and their operating subsidiaries, are collectively referred to as the “**Tricon Group**” which is headquartered in Houston, Texas, United States of America and is a global leader in the trade and distribution of chemicals, petrochemicals, polymers and raw materials. The Tricon Group provides comprehensive services, including logistics, financing, risk management, market intelligence and technical support, to thousands of business partners across more than 120 countries.
- 3.2. Trichem SA is the sole offeror and is not acting in concert with any other party in terms of the Transaction, as such terms are contemplated in the Companies Act and the Takeover Regulations.

4. RATIONALE FOR THE TRANSACTION

- 4.1. The Transaction is in line with the Company’s strategy of increasing shareholder value by growing the underlying businesses and strategically disposing of those businesses to unlock value for Shareholders, where suitable opportunities arise.
- 4.2. The Company’s rationale for the disposal of the remaining 75% interest in WAI is as follows:
- 4.2.1. the disposal represents an attractive opportunity for enX Trading to monetise its investment in WAI at a valuation that, in the opinion of enX Trading management, reflects the prospects and cash flows of WAI;
- 4.2.2. the disposal would be to a party that is a global industry player, that understands the global polymer market and can realise further operational synergies and unlock further value with the existing management team; and
- 4.2.3. following the implementation of the Transaction, WAI will be a wholly owned subsidiary of Trichem SA, and all debt will be retained within the WAI Group.
- 4.3. Following implementation of the Transaction, enX will receive cash proceeds together with the release of restricted cash held in an escrow pursuant to the First Subscription (such funds were held as security for the Put option). After taking into account Transaction-related costs, taxation, working capital adjustments and other customary items, the Board currently intends to return the majority of the resultant net surplus cash to Shareholders, in a manner consistent with previous disposals undertaken by enX. The quantum, form and timing of any such return will be determined by the Board having regard to the Group’s final cash position following implementation of the Transaction and settlement of all related obligations.

5. TERMS OF THE TRANSACTION

5.1. Overview

- 5.1.1. In terms of the Agreement and following receipt of the Exercise Notice, Trichem SA will (subject to the relevant suspensive conditions set out in paragraph 5.5 below and the receipt of the requisite compliance certificate from the TRP as set out in paragraph 5.5.2 below), on the Full Ownership Option Exercise Date (defined below), subscribe for 200 000 ordinary shares of no par value in the authorised share capital of WAI ("**Full Ownership Option Subscription Shares**") at the full ownership option subscription price calculated in accordance with paragraph 5.2 of this FIA ("**Full Ownership Option Subscription Price**") ("**Full Ownership Option Subscription**").
- 5.1.2. Immediately following the receipt of the Full Ownership Option Subscription Price, WAI shall use the proceeds from the Full Ownership Option Subscription to repurchase 200 000 ordinary shares of no par value in the issued share capital of WAI held by enX Trading, at the full ownership option repurchase price as set out in paragraph 5.3 of this FIA ("**Full Ownership Option Repurchase Price**").
- 5.1.3. The Full Ownership Option exercise date shall be the last business day of the month in which the later of the following dates fall, (i) the date on which the last of the suspensive conditions pertaining to the Full Ownership Option as set out in 5.5.1.1 below ("**Suspensive Conditions**") are fulfilled and (ii) the date on which the effective date documents for the Full Ownership Option, as set out in 5.2.3 below, are delivered to Trichem SA by WAI ("**Full Ownership Exercise Date**").

5.2. Full Ownership Option Subscription Price

- 5.2.1. The Full Ownership Option Subscription Price for the Full Ownership Option Subscription Shares will be paid in cash and will be the amount calculated in accordance with the following formula:

$$A = (B \times 95\%) + (C \times 75\%) - D$$

Where:

A = the amount of the Full Ownership Option Subscription Price being calculated;

B = the amount of the NAV of WAI as per the WAI Group accounts as at the last day of the month ending prior to the First Subscription becoming unconditional, subject to any adjustment thereof in accordance with the finalised effective date documents;

*C = the profit after tax of the WAI Group as calculated in the WAI Group accounts for the period from the First Subscription date until the last day of the month ending prior to the date of exercise of the Full Ownership Option ("**Calculation Period**"), excluding any expenses recognised in profit after tax for the Calculation Period attributable to the management incentive; and*

D = the aggregate post-tax amount to be paid by WAI to all participants (being the key executives) under and in terms of the management incentive,

*provided that notwithstanding the amount calculated through application of the above formula, the Full Ownership Option Subscription Price shall always be a minimum amount of not less than R286,000,000 (Two Hundred and Eighty Six Million Rand) ("**Minimum Consideration**") and that the aggregate of the First Subscription Price and the Full Ownership Option Subscription Price shall always be limited to a maximum amount of R407,000,000 (Four Hundred and Seven Million Rand).*

5.2.2. For purposes of this announcement "**NAV**" means the equity attributable to equity holders of WAI as determined in accordance with IFRS, after consolidating into WAI, the WAI Group (excluding any minority interests), and for the avoidance of doubt, includes stated capital, other reserves and accumulated profits.

5.2.3. Within 30 days after the last day of the month in which the Suspensive Conditions are fulfilled, the Company will prepare effective date accounts (being unaudited consolidated accounts of the WAI Group) ("**Effective Date Accounts**") and a statement reflecting the calculation of the Full Ownership Option Subscription Price (collectively the "**Effective Date Documents**").

5.2.4. Following closing of the Full Ownership Option Subscription, the Agreement provides for the Effective Date Accounts to be audited and for an adjustment mechanism. Upon finalisation of the Effective Date Documents, any over or underpayments by either WAI or Trichem SA will be repaid or paid, as the case may be. These adjustments are subject to the Minimum Consideration.

5.3. **Full Ownership Option Repurchase Price Calculation and Payment**

The Full Ownership Option Repurchase Price payable by WAI to enX Trading on the Full Ownership Option Exercise Date will be equal to the Full Ownership Option Subscription Price and will be paid in cash.

5.4. **Capped Aggregate Consideration**

As provided for in the Agreement, as amended, the aggregate of the First Subscription Price and the Full Ownership Option Subscription Price shall at all times be capped at R407 000 000 (Four Hundred and Seven Million Rand).

5.5. **Suspensive Conditions pertaining to the Full Ownership Option**

5.5.1.1. The Full Ownership Option, and therefore the Transaction, is subject to the fulfilment of the following remaining Suspensive Conditions by no later than 17h00 South African time on 15 May 2026 ("**Long Stop Time**") (or such extended date as agreed between the parties):

5.5.1.2. shareholder approval having been obtained for the Transaction, as contemplated in section 115(2) of the Companies Act;

- 5.5.1.3. that to the extent required in terms of section 115(3)(a) of the Companies Act, the court approves the implementation of the resolution to approve the Transaction ("**Transaction Resolution**");
- 5.5.1.4. that if any person who voted against the Transaction Resolution applies to court for leave to apply for a review of the Transaction in terms of section 115(3)(b) and section 115(6) of the Companies Act:
 - 5.5.1.4.1. such leave to apply to court for such review is refused; or
 - 5.5.1.4.2. if leave is so granted, and the review application is made, the court refuses to set aside the Transaction Resolution; and
- 5.5.1.5. the Transaction Resolution is not withdrawn or treated as a nullity; and
- 5.5.1.6. approval of the Circular by the TRP and to the extent required, the JSE.
- 5.5.2. Trichem SA, WAI and enX Trading may not give effect to or implement the Transaction, unless and until the TRP issues a compliance certificate in terms of section 121(b)(i) of the Companies Act and regulation 102(13) of the Companies Regulations with respect to the Transaction.
- 5.6. **Other significant terms**
 - 5.6.1. The Agreement contains warranties and an indemnity appropriate for transactions of this nature, the detail of which will be summarised in the Circular and is contained in the Agreement or the Addendum, copies of which will be made available for inspection.
 - 5.6.2. The Agreement contains restraints appropriate for transactions of this nature, the detail of which will be summarised in the Circular and is contained in the Agreement, a copy of which will be made available for inspection.
 - 5.6.3. WAI has undertaken not to (and the Company and enX Trading undertook to procure that WAI shall not), declare or pay any dividend or other distribution, or take any other action in contravention of section 126 (*Restrictions on frustrating action*) of the Companies Act prior to the closing of the Full Ownership Option Subscription.
- 6. **BENEFICIAL INTEREST OF TRICHEM SA, PERSONS RELATED TO, AND/OR PERSONS ACTING IN CONCERT WITH TRICHEM SA**
 - 6.1. There are no beneficial interests held or controlled, directly or indirectly, in enX by Trichem SA.
 - 6.2. Furthermore, there are no beneficial interests held or controlled, directly or indirectly, in enX by any persons related to Trichem SA or any persons that are considered to be acting in concert with Trichem SA.
 - 6.3. Neither Trichem SA, nor any persons related to Trichem SA or any persons that are considered to be acting in concert with Trichem SA hold any option to acquire a beneficial interest in enX.

7. CASH CONFIRMATION

Trichem SA has delivered to the TRP an irrevocable unconditional confirmation from a third party that sufficient cash is held in escrow in accordance with Regulations 111(4) and 111(5) of the Takeover Regulations to settle the Full Ownership Option Subscription Price.

8. APPOINTMENT OF INDEPENDENT BOARD AND INDEPENDENT EXPERT

- 8.1. In accordance with the provisions of the Companies Act and the Takeover Regulations, the Company has appointed an independent board, comprising of RD Mokhobo, ZK Matthews and NV Simamane, all of whom are independent non-executive directors of enX ("**Independent Board**") for purposes of evaluating the terms and conditions of the Transaction and advising Shareholders thereon. Each of the aforementioned board members are considered to be independent as contemplated in regulation 108(8) of the Takeover Regulations and have the requisite knowledge to fulfil their role as contemplated in regulation 109 of the Takeover Regulations.
- 8.2. The Independent Board has appointed Merchantec Proprietary Limited ("**Independent Expert**") as the independent expert required in terms of the Takeover Regulations, to issue an opinion dealing with the matters set out in regulations 90 and 110(1) of the Takeover Regulations and to express its opinion on whether the terms of the Transaction are fair and reasonable to Shareholders ("**Independent Expert Report**"), which Independent Expert Report will be included in the circular that will be sent to Shareholder in relation to the Transaction ("**Circular**").
- 8.3. The Independent Board's opinion and recommendation will be communicated to Shareholders in the Circular.

9. SHAREHOLDER APPROVAL AND DISTRIBUTION OF CIRCULAR

- 9.1. As a result of the Transaction being a disposal of the greater part of the Company's assets or undertaking as contemplated in section 112 of the Companies Act, it must be approved by a special resolution of Shareholders in accordance with section 115 of the Companies Act. A general meeting of Shareholders will be convened for this purpose ("**General Meeting**").
- 9.2. The Company will issue the Circular to Shareholders as contemplated in regulation 106(2), setting out the full terms and conditions of the Transaction and will include the notice convening the General Meeting.
- 9.3. Shareholders will be advised of the distribution of the Circular, which is currently expected to be distributed to Shareholders on or about Monday, 9 March 2026, and the salient dates and times relating to the Transaction by way of a SENS announcement.

10. RESPONSIBILITY STATEMENTS

The board of directors of the Company and Independent Board collectively and individually accept responsibility for the information contained in this announcement and certify that, to the best of their knowledge and belief, the information contained in this announcement is true and does not omit anything that is likely to affect the importance of such information.

Johannesburg
20 February 2026

Transaction Sponsor and Advisor to enX:
Valeo Capital (Pty) Ltd



Legal Advisors to enX:
Munro Smith Parker Law and Thomson
Wilks



Legal Advisor to Tricon Group: Kaufmann,
Manolios, Schepers Inc. t/a Andersen in
South Africa

