



investing with the times

#### **ECSPONENT LIMITED**

Incorporated in the Republic of South Africa  
Registration number: 1998/013215/06  
JSE Code: ECS – ISIN: ZAE000179594  
Debt Issuer Code: ECSD  
Hybrid Issuer Code: ECSH  
(“the Company” or “Ecsponent”)

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#### **INDEPENDENT FORENSIC INVESTIGATION INTO THE INVESTMENT OF A R100 MILLION PREFERENCE SHARES IN VSS FINANCIAL SERVICES**

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The board of directors of the Company (“the Board”) wishes to advise shareholders that it instituted an internal investigation regarding the Company’s R100 million investment in the form of redeemable preference shares (the “Investment”) in VSS Financial Services Proprietary Limited (“VSS”).

An initial investment was made by the Company in preference shares of VSS, a wholly owned subsidiary of MyBucks S.À. (“MyBucks”), on 3 January 2018 for an amount of R100 million. Details of the terms of the preference shares and the investment opportunity were announced on 3 January 2018 on SENS.

Stakeholders are now advised that the Board, after completion of the internal investigation, decided to institute an independent forensic investigation into possible misrepresentation on the merits and purpose of the investment at the time of the initial investment proposal, which may have ultimately resulted in financial loss to the Company.

Based on recommendations from the forensic investigators and legal representation obtained from the external legal counsel of the Company, the Board has instructed its legal counsel to institute legal action against certain parties whom the Company believes are potentially liable to Ecsponent for actions taken by them that have resulted in possible losses to the Company, as further detailed in the forensic report.

Shareholders are reminded that the Company’s claim against VSS for the preference share Investment was settled in full by MyBucks through the issue of MyBucks shares to the Company, as part of the debt restructuring and MyBucks share acquisition transaction that was approved by shareholders on 20 November 2019.

Further details will be disclosed on SENS upon institution of the recommended legal action and once the outcome of such legal action is known.

Pretoria  
8 September 2020

#### **Sponsor to Ecsponent**

Questco Corporate Advisory Proprietary Limited