

**AECI LIMITED**

(Incorporated in the Republic of South Africa)

Registration number: 1924/002590/06

Share code: AFE

ISIN: ZAE000000220

Bond company code: AECI

LEI: 3789008641F1D3D90E85

(AECI or Group or the Company)

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**VOLUNTARY DISCLOSURE: AECI CONCLUDES MOA TO DISPOSE OF PUBLIC WATER**

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Shareholders and noteholders are advised that AECI Limited ("Company" or "AECI"), through its wholly owned subsidiary, Improchem Proprietary Limited, has entered into a binding Memorandum of Agreement for the sale of Improchem's Public Water business ("Transaction"), to a South African majority black-owned special purpose vehicle (the "Purchaser"), with Nsukutech Proprietary Limited ("Nsukutech") as the controlling shareholder and Junaco (T) Limited (incorporated in Tanzania) ("Junaco"), as the minority shareholder.

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The Public Water business is a separate division of the Improchem's water business and includes the manufacturing and supplying of water treatment chemicals, providing engineered water treatment solutions and supplying other complimentary products to the public water sector (the "Business").

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Nsukutech specialises in the manufacture of speciality chemicals for water treatment, mineral processing and other applications. Junaco is a Tanzanian based company and a leading supplier of water treatment chemicals and equipment across Eastern and Southern Africa. Junaco has played a key role in the export of AECI water treatment chemicals across Africa, with a partnership that has spanned over 15 years.

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The Business will continue supplying its direct clients and distributor network in anticipation of a smooth transition of assets, capacity and contractual opportunities to the Purchaser and will ensure continuity of service and supply into the public water market, once the transaction is concluded.

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AECI Group CEO, Holger Riemensperger said: "Divesting our Public Water Division delivers on our strategy to dispose of non-core assets, streamline operations and optimise our portfolio. It will support our capital allocation strategy and position AECI for sustainable growth and to focus on improving the performance of our core business."

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The Transaction does not constitute a Category 1 or Category 2 transaction for the purposes of the JSE Listings Requirements, and is subject to the parties entering into definitive transaction agreements for the sale of the Business and related ancillary arrangements, and the receipt of required regulatory approvals, including competition approval.

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Woodmead, Sandton

28 March 2025

Equity Sponsor: One Capital

Debt Sponsor: Questco Corporate Advisory

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