

# MEIKLES

## — LIMITED —

(A public company incorporated in the Republic of Zimbabwe in 1937 under company registration number 1/37)

Directors: J.R.T. Moxon (Chairman), R. Chidembo, C.C. Chitiyo, S.P. Cranswick, S.J. Hammond, J.A. Mushore, T. Muzvavandoga\*, M.R. Mycroft\*, K. Ncube\* {\*Executive}

Address: 4 Steppes Road, Highlands, Harare

### ABRIDGED CIRCULAR TO SHAREHOLDERS

Regarding the proposed demerger of Tanganda Tea Company Limited (“Tanganda”) from Meikles Limited (“Meikles”) by way of a dividend *in specie* to Meikles shareholders;  
A Revised Listing Statement relating to Meikles after the proposed demerger of Tanganda;  
And Incorporating a notice convening an Extraordinary General Meeting (“EGM”).

#### Financial Advisors



Corporate Finance

#### Sponsoring Broker



Members of the Zimbabwe Stock Exchange

#### Auditors and Independent Reporting Accountants



#### Tax Advisors



#### Legal Advisors



#### Share Transfer Secretaries



DATE OF PUBLICATION: 26 OCTOBER 2021

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

This is an Abridged Circular and should be read in conjunction with the full Circular to Shareholders available at the Registered Offices of the Company and can also be downloaded from <https://meiklesltd.com>.

#### Action Required:

- Attend the EGM to approve the Resolutions.
- Meikles Shareholders who are unable to attend the EGM, but who wish to be represented thereat, should complete and sign the Proxy Form included in this Abridged Circular and ensure it is either returned or posted to ZB Transfer Secretaries, Central Scrip Administration, 21 Natal Road, Avondale, Harare, or via email on [transfersecretaries@zb.co.zw](mailto:transfersecretaries@zb.co.zw) so that it is received by ZB Transfer Secretaries no later than 9:30 hours on 16 November 2021.
- Meikles Shareholders may attend the meeting, notwithstanding the completion and return of a Proxy Form. In order to attend the EGM, persons who have recently acquired Meikles shares which have not been registered in their names should ensure that such registration is effected on or before the close of business on the Record Date being 16:30 hours on 16 November 2021.

#### PART A: THE PROPOSED DEMERGER OF TANGANDA FROM MEIKLES LIMITED

##### 1. BACKGROUND

The Directors of Meikles have decided to demerge the agricultural subsidiary Tanganda from the Group by way of a dividend *in specie* to Meikles Shareholders and to list the entire issued share capital of Tanganda by way of an Introduction on the Zimbabwe Stock Exchange (“ZSE”).

##### 2. RATIONALE

The principal reasons for the Proposed Transaction are:

- To establish Tanganda as a dedicated stand-alone business attractive to investors and able to pursue business ventures within the value-added diversified agricultural sector in Zimbabwe;
- To enable Meikles and Tanganda in future to raise funding with conditions suitable for the type of businesses they are in;
- To enable the Group and Tanganda to report independently to the public and be judged correctly when compared to similar businesses; and
- To unlock shareholder value and allow the two businesses to expand and grow on their own merits.

##### 3. MECHANICS OF THE PROPOSED TRANSACTION

Subject to fulfilment of the Conditions Precedent, the Directors are proposing the demerger of Tanganda from the Group. On approval of the Proposed Transaction, Meikles Shareholders will be entitled, in terms of the Distribution Ratio, to receive one (1) Tanganda share for every one (1) Meikles share held as at the Record Date. On implementation of the Proposed Transaction, Meikles Shareholders will receive their *pro rata* portion of 100% of the shares of Tanganda currently held directly by Meikles.

After implementation of the Proposed Transaction, the demerged Meikles Group will comprise of its interests in retail, hotels, security services and property-owning businesses and will remain listed on the ZSE and London Stock Exchange (“LSE”) under its existing name, Meikles Limited, with Meikles Shareholders retaining their existing shareholdings in Meikles as at the Record Date.

The Proposed Transaction will enable Meikles Shareholders to own a direct shareholding in Tanganda. A separate listing is to be sought for Tanganda on the ZSE by way of an Introduction, under the name “Tanganda Tea Company Limited”. In this regard, the ZSE has indicated approval, subject to the implementation of the Proposed Demerger, for the admission of the entire issued share capital of Tanganda to the Official List pursuant to the Listing, on or about 2 December 2021.

##### 4. OVERVIEW OF TANGANDA

Tanganda is the largest producer, packer and distributor of tea in Zimbabwe and the first commercial tea was planted at New Year’s Gift estate in 1924. Tanganda has also developed the largest hectareage of both macadamia nuts and avocados and has become the single largest producer of both crops in Zimbabwe.

##### 5. FINANCIAL EFFECTS OF THE DEMERGER OF TANGANDA

The financial results for Tanganda have been disclosed as discontinued operations in Meikles results for the year ended 31 March 2021, with its assets and liabilities classified as held for distribution and will no longer be reported in the Group’s results following the Demerger.

The tables below set out the financial effects of the Proposed Demerger on the abridged unaudited pro-forma Consolidated Statement of Financial Position and Consolidated Statement of Profit or Loss and Other Comprehensive Income of Meikles for the year ended 31 March 2021.

#### Meikles’ abridged unaudited pro-forma Consolidated Statement of Financial Position as at 31 March 2021

	INFLATION ADJUSTED UNBUNDLING ADJUSTMENTS*			
31 March 2021	MEIKLES ZWL 000	TANGANDA ZWL 000	ADJUSTMENTS* ZWL 000	PROFORMA ZWL 000
<b>ASSETS</b>				
<b>Non-current assets</b>				
Property, plant and equipment	4,944,311	-	-	4,944,311
Investment property	9,859	-	-	9,859
Right of use asset	1,767,933	-	-	1,767,933
Investment in Mentor Africa (Pty) Limited	376,859	-	-	376,859
Other financial assets	919,524	-	-	919,524
Deferred tax	896	-	-	896
<b>Total non-current assets</b>	<b>8,019,382</b>			<b>8,019,382</b>
<b>Current assets</b>				
Inventories	2,460,707	-	-	2,460,707
Trade and other receivables	1,538,463	-	9,880	1,548,343
Other financial assets	15,140	-	-	15,140
Cash and bank balances	787,717	-	-	787,717
	4,802,027	-	9,880	4,811,907
Assets held for sale and distribution	5,182,607	(5,183,482)	893	18
<b>Total current assets</b>	<b>9,984,634</b>	<b>(5,183,482)</b>	<b>10,773</b>	<b>4,811,925</b>
<b>Total assets</b>	<b>18,004,016</b>	<b>(5,183,482)</b>	<b>10,773</b>	<b>12,831,307</b>
<b>EQUITY AND LIABILITIES</b>				
<b>Capital and reserves</b>				
Share capital	111,884	-	-	111,884
Share premium	139,617	-	-	139,617
Other reserves	531,467	(415,148)	-	116,319
Retained earnings	8,270,354	(3,726,621)	-	4,543,733
Equity attributable to equity holders of the parent	9,053,322	(4,141,769)	-	4,911,553
Non-controlling interests	2,809,147	-	-	2,809,147
<b>Total equity</b>	<b>11,862,469</b>	<b>(4,141,769)</b>		<b>7,720,700</b>
<b>Non-current liabilities</b>				
Deferred tax	1,595,700	-	-	1,595,700
Lease liabilities	507,060	-	-	507,060
<b>Total non-current liabilities</b>	<b>2,102,760</b>			<b>2,102,760</b>
<b>Current liabilities</b>				
Trade and other payables	2,921,985	-	893	2,922,878
Borrowings	63,347	-	-	63,347
Lease liabilities	21,622	-	-	21,622
	3,006,954	-	893	3,007,847
Liabilities relating to assets classified as held for distribution	1,031,833	(1,041,713)	9,880	-
<b>Total current liabilities</b>	<b>4,038,787</b>	<b>(1,041,713)</b>	<b>10,773</b>	<b>3,007,847</b>
<b>Total liabilities</b>	<b>6,141,547</b>	<b>(1,041,713)</b>	<b>10,773</b>	<b>5,110,607</b>
<b>Total equity and liabilities</b>	<b>18,004,016</b>	<b>(5,183,482)</b>	<b>10,773</b>	<b>12,831,307</b>

\*Intra group balances between Tanganda and other Meikles Group entities

#### Meikles’ abridged unaudited pro-forma Consolidated Statement of Profit or Loss and Other Comprehensive Income for the year ended 31 March 2021

	INFLATION ADJUSTED UNBUNDLING ADJUSTMENTS*			
31 March 2021	MEIKLES ZWL 000	TANGANDA ZWL 000	ADJUSTMENTS* ZWL 000	PROFORMA ZWL 000
<b>CONTINUING OPERATIONS</b>				
Revenue	28,435,207	-	143,699	28,578,906
Net operating costs	(27,556,874)	-	(141,465)	(27,698,339)
<b>Operating profit</b>	<b>878,333</b>		<b>2,234</b>	<b>880,567</b>
Investment income	4,884	-	-	4,884
Finance costs	(224,566)	-	-	(224,566)
Net exchange gains	1,463,432	-	-	1,463,432
Net monetary loss	(725,229)	-	-	(725,229)
<b>Profit before tax</b>	<b>1,396,854</b>		<b>2,234</b>	<b>1,399,088</b>
Income tax expense	(1,023,594)	-	-	(1,023,594)
<b>Profit for the year from continuing operations</b>	<b>373,260</b>		<b>2,234</b>	<b>375,494</b>
<b>DISCONTINUED OPERATIONS</b>				
Profit for the year from discontinued operations	230,355	(223,109)	(2,234)	5,012
<b>PROFIT FOR THE YEAR</b>	<b>603,615</b>	<b>(223,109)</b>		<b>380,506</b>
<b>Other comprehensive (loss) / income, net of tax</b>				
<b>Items that will not be reclassified subsequently to profit or loss:</b>				
Fair value loss on investments in equity instruments designated as at FVTOCI	(203,184)	-	-	(203,184)
<b>Items that may be reclassified subsequently to profit or loss:</b>				
Exchange rate adjustments on translation of foreign operations	1,046,086	-	-	1,046,086
<b>Other comprehensive income for the year, net of tax</b>	<b>842,902</b>			<b>842,902</b>
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>	<b>1,446,517</b>	<b>(223,109)</b>		<b>1,223,408</b>

\*Intra group transactions between Tanganda and other Meikles Group entities

#### 6. WITHHOLDING TAX ON DIVIDEND

Meikles is obliged to deduct ten per cent (10%) withholding tax (“WHT”) and remit to Zimbabwe Revenue Authority (“ZIMRA”) in respect of the dividend *in specie* of Tanganda’s ordinary shares to individuals, trusts and non-resident shareholders. To fund this WHT liability, Meikles will withhold ten percent (10%) of the ordinary shares of Tanganda due to all individuals, trusts and non-resident shareholders in respect of the dividend *in specie* and remit this to ZIMRA. Shares withheld from shareholders for withholding tax purposes will be rounded to the nearest whole number.

#### 7. TIMETABLE OF EVENTS

Important Dates	2021
Circular posted and salient features of the Proposed Demerger and Notice of the EGM and the Record Date published	26 October
Publication of the Tanganda Pre-Listing Statement	26 October
Last day for registering for voting at the EGM	16 November
Last day for lodging Proxy Forms for the EGM (by 9:30 hours)	16 November
Meikles EGM (at 9:30 hours)	18 November
Dividend Record Date (Meikles share register closed (at 16:30 hours))	19 November
Publication of the results of the EGM	22 November
Implementation Date	01 December
Expected date of listing of Tanganda shares on the ZSE	02 December

#### Notes:

- The above dates are subject to change and any amendments will be published in the press.

#### 8. EXTRAORDINARY GENERAL MEETING

To give effect to the Proposed Transaction, Meikles shareholders are being requested to attend the EGM, to be held virtually by electronic means at 09:30 hours or immediately following the Annual General Meeting, whichever is later on 18 November 2021, to approve the Resolutions, details of which are set out in the EGM Notice to Shareholders.

#### 9. REGULATORY APPROVALS

This Abridged Circular is issued in compliance with the ZSE Listings Requirements. The ZSE Listings Committee on 11 October 2021 approved the distribution of this Abridged Circular as well as the full Circular and the Proposed Transaction. A copy of the approval letter from the ZSE Listings Committee is available for inspection by Shareholders ahead of the EGM at the Registered Office of the Company.

#### 10. CONDITIONS PRECEDENT

The Proposed Transaction is conditional upon fulfilment of the following conditions precedent:

- The passing by Meikles Shareholders of the Resolutions by the requisite majority at the EGM;
- The registration of the Resolutions with the Registrar of Companies;
- The granting of the requisite approval by the Listings Committee of the ZSE for the retained listing of the demerged Meikles;
- Reserve Bank of Zimbabwe (“RBZ”) approval of the dividend *in specie* to non-resident shareholders; and
- The granting by ZIMRA of capital gains tax relief provided under Section 15(1) (b) of the Capital Gains Tax [Chapter 23:01].

#### 11. COSTS OF THE TRANSACTION

The costs for the Proposed Transaction are expected to amount to approximately US\$ 138,900 which relate to professional fees as well as regulatory, advertising, printing and postage charges.

#### 12. EXPERTS’ CONSENTS

Imara, Wintertons, ZB, Invictus, Ernst & Young and Deloitte have given and have not withdrawn their written consents to the issue of this Abridged Circular as well as full Circular with the inclusion of their names and reports in the forms and contexts in which they appear.

#### 13. DOCUMENTS AVAILABLE FOR INSPECTION

Between 26 October 2021 and 18 November 2021, copies of the following documents will be available for inspection during normal business hours, at the registered offices of Meikles, Imara, ZB Transfer Secretaries and Invictus:

- The Memorandum and Articles of Association of Meikles;
- Significant contracts of the Company;
- The Independent Reporting Accountant’s Report on the historical financial information as set out in Appendix 1 of the full Circular;
- The five year audited financial statements of Meikles for the years ended 31 March 2017 to 31 March 2021;
- The Independent Reporting Accountant’s Report on the pro-forma financial information on Meikles set out in Appendix 3 of the full Circular;
- Signed letters of Consent from all experts and advisors;
- The ZSE Listings Committee approval letter for the issuance of this Circular; and
- The copy of the full Circular signed by the Directors.

#### 14. DIRECTORS’ RECOMMENDATIONS

The Board of Directors has considered the Proposed Transaction and recommends to Meikles Limited Shareholders that they vote in favour of the resolutions to be considered at the EGM giving effect to the Proposed Transaction.

The Directors will collectively vote in favour of the individual resolutions to approve the Proposed Transaction at the EGM in respect of their own shareholdings.

#### 15. DIRECTORS’ RESPONSIBILITY STATEMENT

The Directors, whose names appear below, collectively and individually accept full responsibility for the accuracy of the information given and certify that to the best of their knowledge and belief there are no other facts the omission of which would make any statement false or misleading, that they have made all reasonable enquiries to ascertain such facts.



# MEIKLES

## — LIMITED —

(A public company incorporated in the Republic of Zimbabwe in 1937 under company registration number 1/37)

**Directors:** J.R.T. Moxon (Chairman), R. Chidembo, C.C. Chitiyo, S.P. Cranswick, S.J. Hammond, J.A. Mushore, T. Muzvavandoga\*, M.R. Mycroft\*, K. Ncube \* {\*Executive}

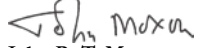
**Address:** 4 Steppes Road, Highlands, Harare

### ABRIDGED CIRCULAR TO SHAREHOLDERS

The Directors confirm that this Abridged as well as full Circular include all such information within their knowledge (or which it would be reasonable for them to obtain by making enquiries) that investors and their professional advisers would reasonably require and reasonably expect to find for the purpose of making an informed assessment of the assets and liabilities, financial position, profits or losses and prospects of the issuer, and of the rights attaching to the securities to which the Abridged as well as full Circular relate.

Director	Position	Signature
John Ralph Thomas Moxon	Non-executive Chairman	Signed on Original
Thompson Muzvavandoga	Finance Director	Signed on Original
Malcolm Richard Mycroft	Executive Director and Acting Chief Executive Officer	Signed on Original
Kazilek Ncube	Executive Director	Signed on Original
Rugare Chidembo	Independent Non-executive Director	Signed on Original
Cathrine Charmaine Chitiyo	Independent Non-executive Director	Signed on Original
Stewart Philip Cranswick	Independent Non-executive Director	Signed on Original
Simon James Hammond	Independent Non-executive Director	Signed on Original
James Andrew Mushore	Independent Non-executive Director	Signed on Original

Yours faithfully,



**John R. T. Moxon**  
Chairman of the Board

### NOTICE OF EXTRAORDINARY GENERAL MEETING

Notice is hereby given that an Extraordinary General Meeting ("EGM") of the shareholders of Meikles Limited ("Meikles Shareholders") will be held virtually by electronic means at 09:30 hours or immediately following the Annual General Meeting, whichever is later on 18 November 2021, to consider, and, if deemed fit, to pass, with or without modification, the following resolutions:

#### AS A SPECIAL RESOLUTION:

To approve the proposed demerger of Meikles' interest in its wholly owned subsidiary, Tanganda Tea Company Limited ("Tanganda") by way of a dividend *in specie* of 100% of Meikles' interests in Tanganda:

"THAT,

- the Proposed Demerger of 100% of Meikles shareholding in Tanganda be and is hereby approved; and
- the Proposed Demerger be and is hereby effected through a distribution *in specie* of Meikles' 100% interest in Tanganda, to Meikles Shareholders registered as such on 19 November 2021 ("Dividend Record Date"), on which date Meikles' share register will be closed at 16:30 hours, upon the terms and subject to the conditions set out in the circular to Meikles Shareholders dated 26 October 2021 ("Circular").

#### AS AN ORDINARY RESOLUTION:

Directors' authority to implement the Proposed Demerger:

"THAT,

- the Directors of Meikles (or any duly authorised committee thereof) be and are hereby authorised to amend or vary the terms and conditions of such Proposed Demerger (provided that no such amendment or variation shall be material in the context of the Proposed Demerger), and to do all such things as they may consider necessary or desirable to give effect to or pursuant to or in connection with the Proposed Demerger."

#### BY ORDER OF THE BOARD



**Tabani Mpofu**  
Company Secretary  
26 October 2021

#### Registered Office

4 Steppes Road, Highlands  
Harare  
Zimbabwe  
(P.O. Box 3598, Harare, Zimbabwe)

#### LOGIN INSTRUCTIONS

May you please ensure that you have downloaded the ZOOM application and follow the login instructions below:

#### Meeting ID: 819 5242 4161

- Password: Shareholders to contact the Transfer Secretaries on the following numbers +263772862956, +263772936413, and +263773668857.
- Write your username on Zoom in the format below:

XXXXXX SHAREHOLDER NAME

Where XXXXXX is your shareholder number.

If you have any challenges, kindly contact us on +263772862956, +263772936413, and +263773668857.

#### Notes:

##### 1. Appointment of proxies:

In terms of Section 31 of the Companies and Other Business Entities Act [Chapter 24:31], as amended, a member entitled to attend and vote at the above meeting may appoint a proxy to attend and, on a poll, to vote on his behalf. No Director or Officer of the Company may be appointed as a proxy for a member. A proxy need not be a member of Meikles.

To be valid, the Form of Proxy ("Proxy Form") attached to the Circular should be completed and returned to ZB Transfer Secretaries (Private) Limited, being the Transfer Secretaries to Meikles, at 21 Natal Road, Avondale Harare, (PO Box 2540), Harare, or via email on [transfersecretaries@zb.co.zw](mailto:transfersecretaries@zb.co.zw) to be received not less than 48 hours before the scheduled time of the EGM, being 9:30 hours on 16 November 2021. Completion of a Proxy Form does not preclude a person from subsequently attending and voting in person.

##### 2. Record Date and dates of closure of the Meikles share register:

Subject to the passing of the Resolutions set out in this Notice, Meikles' share register will close at 16:30 hours 19 November 2021, this being the Dividend Record Date, and will remain closed from 19 November 2021 to 24 November 2021.

#### FORM OF PROXY

**MEIKLES LIMITED**  
("MEIKLES" or "Company")

#### EXTRAORDINARY GENERAL MEETING

Expressions used in this form shall bear, unless the context requires otherwise, the same meaning as in the Circular to shareholders dated 26 October 2021.

For use at the extraordinary general meeting of ordinary shareholders of Meikles to be held virtually by electronic means at 09:30 or immediately following the Annual General Meeting, whichever is later on 18 November 2021 ("EGM").

I/We \_\_\_\_\_  
(Name/s in block letters)

of \_\_\_\_\_

Being member(s) of the Company and entitled to vote, hereby appoint

1 \_\_\_\_\_  
or failing him/her  
2 \_\_\_\_\_

as my/our proxy to vote for me/us at the EGM, to be held for the purpose of considering and, if deemed fit, passing, with or without modification, the Resolutions to be proposed thereat, and at any adjournment thereof, to vote for or against the Resolutions and/or abstain from voting in respect of the Ordinary Shares registered in my/our name in accordance with the following instructions:

Resolutions	For	Against	Abstain
<p><b>Special Resolution</b></p> <p>To approve the Proposed Demerger of Meikles' interest in its wholly owned subsidiary, Tanganda Tea Company Limited ("Tanganda") by way of a dividend <i>in specie</i> of 100% of Meikles' interests in Tanganda:</p> <p>"THAT,</p> <ul style="list-style-type: none"> <li>the Proposed Demerger of 100% of Meikles shareholding in Tanganda be and is hereby approved; and</li> <li>the Proposed Demerger be and is hereby effected through a distribution <i>in specie</i> of Meikles' 100% interest in Tanganda, to Meikles Shareholders registered as such on 19 November 2021 ("Dividend Record Date"), on which date Meikles' share register will be closed at 16:30 hours, upon the terms and subject to the conditions set out in the circular to Meikles Shareholders dated 26 October 2021 ("Circular").</li> </ul>			

#### Ordinary Resolution

Directors' authority to implement the Proposed Demerger:

"THAT,

- the Directors of Meikles (or any duly authorised committee thereof) be and are hereby authorised to amend or vary the terms and conditions of such Proposed Demerger (provided that no such amendment or variation shall be material in the context of the Proposed Demerger), and to do all such things as they may consider necessary or desirable to give effect to or pursuant to or in connection with the Proposed Demerger."

Signed at \_\_\_\_\_ on \_\_\_\_\_ 2021

Signature(s) \_\_\_\_\_

#### Notes:

- In terms of Section 31 of the Companies and Other Business Entities Act [Chapter 24:31], as amended, a member entitled to attend and vote at the above meeting may appoint a proxy to attend and, on a poll, to vote on his behalf. No Director or Officer of the Company may be appointed as a proxy for a member. A proxy need not be a member of the Company.
- A Shareholder may insert the names of two alternative proxies of the Shareholder's choice in the space provided. The person whose name appears first on the Proxy Form, and whose name has not been deleted, will be entitled to act as proxy to the exclusion of those whose names follow.
- Instruments of proxy must be lodged at or posted to the Company's Transfer Secretaries, namely ZB Transfer Secretaries (Private) Limited, at 21 Natal Road, Avondale Harare, (PO Box 2540), Harare, or via email on [transfersecretaries@zb.co.zw](mailto:transfersecretaries@zb.co.zw), to be received not less than 48 hours before the scheduled time of the EGM.
- Any alteration to this Proxy Form must be signed by the person signing the Proxy Form.
- The completion and lodging of this Proxy Form will not preclude the relevant Shareholder from attending the EGM and speaking and voting in person thereat to the exclusion of any proxy appointed in terms hereof, should such Shareholder wish to do so.
- Where there are joint holders of Shares, the vote of the senior of such joint holders who tenders a vote (whether in person or by proxy) will be accepted to the exclusion of the votes of the other joint holders and, for this purpose, seniority will be determined by the order in which their names stand in the Company's register of members.
- Where a company is listed as a shareholder, as there is no automatic right for a director or shareholder of that company to act as its proxy, a specific appointment of a proxy, authorised by the shareholder(s) of the company, is required.
- The authority of a person signing the Proxy Form:
  - under a power of attorney; or
  - on behalf of a company;
 must be attached to the Proxy Form, unless the power of attorney has already been registered by Meikles or the Company's Transfer Secretaries, or, in the case of a company, this Proxy Form is sealed by it.

**ZB Transfer Secretaries**  
Central Scrip Administration  
21 Natal Road  
Avondale  
Harare  
Zimbabwe

### PART B: MEIKLES LIMITED REVISED LISTING STATEMENT

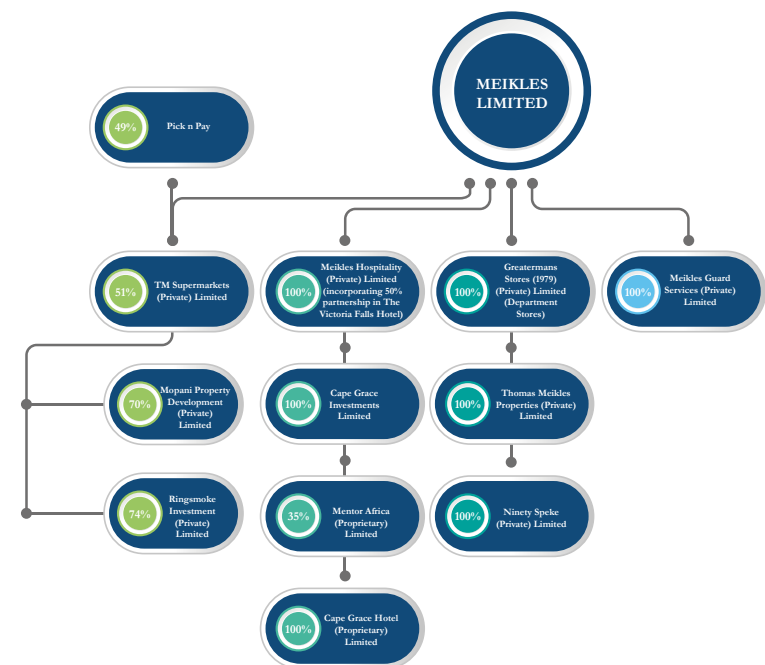
This Revised Listing Statement is not an invitation to subscribe for shares in Meikles Limited but is issued in compliance with the ZSE Listing Requirements for the purpose of providing information to the public on Meikles Limited. This Revised Listing Statement has been prepared on the assumption that proposed resolutions to give effect to the demerger of Tanganda set in Part A of this Abridged Circular will be passed at the EGM of shareholders to be held on 18 November 2021 and registered.

#### 1. DESCRIPTION OF MEIKLES LIMITED

##### 1.1 BUSINESS OVERVIEW

Meikles Limited ("Meikles") is an investment holding company incorporated in 1937 with a dual listing on the Zimbabwe Stock Exchange ("ZSE") (primary listing) and the London Stock Exchange ("LSE") (secondary listing).

##### 1.2 OPERATIONS AND BUSINESS UNITS POST THE DEMERGER



#### Business segments and descriptions

##### a. Retail

The retail segment consists of supermarkets that are operated under TM Supermarkets (Private) Limited ("TM Supermarkets") which is owned by Meikles Limited (51%) and the Pick n Pay Group of South Africa (49%). TM Supermarkets is a chain of fifty-six stores across Zimbabwe of which thirty-two are branded and trade as "TM" while twenty-four stores are branded and trade as "Pick n Pay".

##### b. Hospitality

The hotels segment includes The Victoria Falls Hotel (50% joint operation in Victoria Falls) and a 35% interest in Mentor Africa (Proprietary) Limited which owns 100% of Cape Grace Hotel in Cape Town, South Africa.

##### c. Real estate and property

Thomas Meikles Properties owns properties throughout Zimbabwe which are leased to both unrelated and related parties. The Company disposed of the building located at 90 Speke Avenue in June 2021, which is the only asset of Ninety Speke (Private) Limited. The disposal proceeds have been ring-fenced to develop and increase the value of the remaining properties.

##### d. Security services

Meikles Guard Services (Private) Limited provides manned and electronic security services in Zimbabwe including the provisions of manned patrols of physical asset perimeters, twenty-four hour communications and special operations response teams and rapid reaction vehicles.

##### e. Mining

The Group no longer intends to pursue mining activities.

#### 2. FUTURE PROSPECTS FOR THE GROUP

Post the unbundling of Tanganda, the Group will focus on the retention and consolidation of its investments in the supermarkets, hospitality, properties and security services segments. In the next three to five years, a substantial growth in investment in new stores and upgrades to the existing stores will be implemented. Supermarkets segment has achieved growth in both profits and operating cash flows during prolonged tough trading conditions and since March 2020, worsened by disruptions brought in by Covid-19 pandemic. This demonstrates resilience against shocks in the operating environment. The interest in supermarkets provides critical mass to deliver consistent returns to shareholders despite the impediments in the operating environment confronting businesses.

For the Hospitality segment, both The Victoria Falls Hotel and Cape Grace Hotel are renowned for providing premium service to high end international tourists in their respective jurisdictions. Both hotels were profitable operations prior to the advent of Covid-19 pandemic. Strategies to reposition the hotels for a rebound in international tourism are being implemented. At the same time, other alternatives to enhance shareholder value are also being pursued. The refurbishment of The Victoria Falls Hotel commenced in June 2021 as part of the preparation for the anticipated rebound in international tourism and travel. Qatar Airways commenced flights to Harare in August 2021 whilst Lufthansa will fly to Victoria Falls three times a week from March 2022. These developments bode well for the return of international tourism and travel.

Strategic alternatives are being examined on how best to grow the properties to provide an opportunity for shareholders to enhance value. All remaining properties will be developed and leases have been signed with financially strong anchor tenants. The security services segment will benefit from expansion of the supermarkets segment.

#### 3. SHAREHOLDER INFORMATION

##### 3.1 CONTROLLING SHAREHOLDER

Gondor Capital Limited, the shareholder vehicle of the Meikles family, is the controlling shareholder of Meikles, with a 47.08% shareholding. It is the intention of the shareholder to hold their Meikles investment for the foreseeable future.



# MEIKLES

## — LIMITED —

(A public company incorporated in the Republic of Zimbabwe in 1937 under company registration number 1/37)

**Directors:** J.R.T. Moxon (Chairman), R. Chidembo, C.C. Chitiyo, S.P. Cranswick, S.J. Hammond, J.A. Mushore, T. Muzvavandoga\*, M.R. Mycroft\*, K. Ncube \* {Executive}

**Address:** 4 Steppes Road, Highlands, Harare

### ABRIDGED CIRCULAR TO SHAREHOLDERS

#### 3. SHAREHOLDER INFORMATION (continued)

##### 3.2 MAJOR SHAREHOLDERS

The table below details the top twenty shareholders of Meikles as at the 21 October 2021:

Rank	Name	No of shares	%
1	Gondor Capital Limited – NNR	122,903,771	47.08%
2	Mega Market (Private) Limited	25,550,780	9.79%
3	Old Mutual Life Assurance of Zimbabwe Limited	21,394,417	8.20%
4	Stanbic Nominees (Private) Limited - A/C 140043470003	8,682,919	3.33%
5	Meikles Consolidated Holdings (Private) Limited	4,697,819	1.80%
6	London Register - Meikles Africa Limited	4,556,899	1.75%
7	Stanbic Nominees (Private) Limited - A/C 140043470002	4,228,212	1.62%
8	Old Mutual Zimbabwe Limited	2,896,272	1.11%
9	Meikles Pension Fund – ABC	2,861,210	1.10%
10	Mundell Family Trust	2,466,231	0.94%
11	LHG Malta Holdings Limited	2,333,075	0.89%
12	Meikles Limited Employee Share Ownership Trust	1,860,000	0.71%
13	Meikles Pension Fund	1,821,909	0.70%
14	Public Service Commission Pension Fund – ABC	1,739,385	0.67%
15	Windward Capital (Proprietary) Limited	1,726,213	0.66%
16	The Roy Turner Trust	1,638,208	0.63%
17	Barkprest Investments (Private) Limited	1,500,000	0.57%
18	Motor Industry Pension Fund – ABC	1,391,269	0.53%
19	The Seed Trust	1,295,698	0.49%
20	Local Authorities Pension Fund	1,210,748	0.46%
<b>Top 20 shareholding</b>		<b>216,755,035</b>	<b>83.03%</b>
Remaining holding		44,309,555	16.97%
<b>Total issued shares</b>		<b>261,064,590</b>	<b>100.00%</b>

#### 4. DIRECTORS

##### 4.1 BOARD

The full names, addresses and positions of the Directors of Meikles are set out below:

Full names	Nationalities	Business Address	Position
John Ralph Thomas Moxon	British	4 Steppes Road, Highlands, Harare	Non-Executive Chairman
Thompson Muzvavandoga	Zimbabwean	4 Steppes Road, Highlands, Harare	Finance Director
Malcolm Richard Mycroft	South African	4 Steppes Road, Highlands, Harare	Executive Director and Acting CEO
Kazilek Ncube	Zimbabwean	4 Steppes Road, Highlands, Harare	Executive Director
Rugare Chidembo	Zimbabwean	4 Steppes Road, Highlands, Harare	Independent Non-Executive Director
Cathrine Charmaine Chitiyo	Zimbabwean	4 Steppes Road, Highlands, Harare	Independent Non-Executive Director
Stewart Philip Cranswick	Zimbabwean	4 Steppes Road, Highlands, Harare	Independent Non-Executive Director
Simon J. Hammond	Zimbabwean	4 Steppes Road, Highlands, Harare	Independent Non-Executive Director
James Andrew Mushore	Zimbabwean	4 Steppes Road, Highlands, Harare	Independent Non-Executive Director

The profiles of the Directors of Meikles are set out in the full Circular.

##### 4.2 DIRECTORS INTERESTS

###### 4.2.1 INTERESTS IN ORDINARY SHARES

As at 21 October 2021, (being the last practicable date before the publication of this document), the Directors, directly and/or indirectly, held beneficial interests aggregating approximately 29 million Meikles shares representing approximately 11.1% of the issued share capital of the Group. Details of the direct and indirect interests held by the Meikles Directors in Meikles shares are set out below:

Director	Number of shares as at 31 March 2021	Number of shares as at 21 October 2021
John R. T. Moxon*	27,933,226	27,933,226
Thompson Muzvavandoga	71,778	71,778
Malcolm R. Mycroft	-	-
Kazilek Ncube	-	-
Rugare Chidembo	945,930	945,930
Cathrine C. Chitiyo	4	4
Stewart P. Cranswick	94,649	94,649
Simon J. Hammond	15,497	15,497
James A. Mushore	-	-
<b>Total</b>	<b>29,061,084</b>	<b>29,061,084</b>

\*Mr. John R.T. Moxon's indirect beneficial interests through Gondor Capital Limited are included in the table above. Gondor Capital Limited has a 47.08% shareholding in the Company.

There were no changes in the Directors' interests between the end of the financial year ended 31 March 2021 and the date of the Abridged as well as full Circular. None of the Directors hold share options.

###### 4.2.2 Interests in Transactions

The Meikles Directors have not had any interest in transactions with Meikles in the current or immediately preceding financial years.

##### 4.3 DIRECTORS' EMOLUMENTS

Meikles Directors received Directors' fees of ZWL 8,252,653 for the year to 31 March 2021 (prior year ZWL 1,161,127), in respect of their duties on the Board of Meikles. This excludes amounts received by executive Directors in terms of their employment contracts.

#### 5. GROUP MANAGEMENT

The key members of the executive management team are included in the table below:

Management	Position
Malcolm R. Mycroft	Managing Director – TM Supermarkets and Acting CEO of the Group
Thompson Muzvavandoga	Finance Director – Meikles Group
Kazilek Ncube	Managing Director – Meikles Guard Services
Matthew J.S. Moxon	Managing Director - Properties
Tabani Mpofu	Company Secretary – Meikles Group
Lewis Chikara	Group Financial Controller
Nyarai C. Avery	Head of Internal Audit
Gamuchirai Nyamuzingwa	Chief Financial Officer – TM Supermarkets

The profiles of the executive management team are set out in the full Circular.

#### 6. CORPORATE GOVERNANCE

##### 6.1 INTRODUCTION

The Board is committed to high standards of governance and in this regard, governance structures including composition and size of the Board has been realigned to satisfy the requirements of the National Code of Corporate Governance Zimbabwe, Companies and Other Business Entities Act [Chapter 24:31] and Statutory Instrument ("SI") 134 of 2019, Securities and Exchange (ZSE Listing Requirements) Rules, 2019.

##### 6.2 BOARD OF DIRECTORS AND BOARD COMMITTEES

The Group operates a decentralised subsidiary structure. Each significant subsidiary has a formal operating Board with a clear definition of responsibility and operates within well-defined policies. The main Board works closely with directors in each subsidiary ensuring strategies are formulated and approved following laid down procedures. There is comprehensive financial reporting with actual results reported monthly against budget and prior year. The main Board meets at least on a quarterly basis to provide input to strategy formulation and implementation as well as monitor performance against operating plans of the Group and its subsidiaries. The committees comprise of Audit, Risk, Remuneration and Nomination committees.

#### 7. SHARE CAPITAL

##### 7.1 SHARE CAPITAL SUMMARY

Authorised	
Number of ordinary shares	400,000,000
Nominal price per share – ZWL	0.01
Authorised share capital – ZWL	4,000,000
Issued and Unissued	
Number of issued ordinary shares	261,064,590
Nominal price per share – ZWL	0.01
Issued share capital – ZWL	2,610,646
Number of unissued ordinary shares	138,935,410

##### 7.2 AUTHORISED BUT UNISSUED SHARE CAPITAL

The authorised but unissued share capital of the Company is under the control of the Shareholders, except for the 17,221,490 shares available for acquisition by the Meikles Limited Employee Share Ownership Trust ("MESOT") as detailed per paragraph 7.6 below, which are under the control of the Directors.

##### 7.3 VARIATION OF RIGHTS

According to Clause 55 of Meikles Articles of Association, the rights attached to any class of securities issued by the company may be modified, abrogated or varied with the consent in writing of the holders of three-fourths of the nominal amount of the issued shares of that class, or with the sanction of a special resolution passed at a separate general meeting of the holders of the shares of that class.

##### 7.4 PREFERENTIAL RIGHTS IN RESPECT OF SHARES

There are no Meikles shares with preferred rights in respect of the Group's share capital.

##### 7.5 VOTING RIGHTS

All existing authorised but unissued and issued Meikles ordinary shares are of the same class and rank pari passu in every respect.

##### 7.6 SUMMARY OF ISSUES AND OFFERS

During the year ended 31 March 2018, 2,360,000 shares were issued to MESOT. MESOT was established in August 2011 with the objective of empowering employees through their acquisition of a shareholding in Meikles Limited. Shareholders approved 28 million shares to be available for acquisition by MESOT. These shares are under the control of Directors. The purchase consideration of shares is calculated based on the weighted average price of the Company's shares over the thirty (30) days prior to the date of issue. The composition of the Trust's participants is 95% workers and 5% management. To date, 10,778,510 shares have been issued to MESOT. The unissued shares are under the control of shareholders, except 17,221,490 shares still to be issued to MESOT, which are under the control of the Directors.

In addition to the above, 4,911,289 shares were issued as scrip dividend during the year ended 31 March 2019.

##### 7.7 OTHER LISTINGS

Meikles has a secondary listing on the London Stock Exchange where 4,556,899 shares are listed on the main board.

##### 8. ADEQUACY OF CAPITAL

The Directors are of the opinion that the Company's share capital and working capital are adequate for the foreseeable future.

##### 9. WORKING CAPITAL AND CASH FLOW

The Directors are of the opinion that the available working capital is sufficient to cover the cash flow requirements of the Group.

##### 10. RECENT ACQUISITIONS AND DISPOSALS

Apart from the disposal of the Meikles Hotel in 2020 and 90 Speke Avenue in 2021, there have not been any other significant acquisitions or disposals by the Group in the past three years.

##### 11. MATERIAL CHANGES

Other than the effect to the financial performance of the Group resulting from the disposal outlined in Paragraph 10 above, there have been no material changes in the trading and financial position of Meikles and its subsidiaries since the last financial year ended 31 March 2021.

##### 12. DIVIDEND POLICY

Meikles historic dividend policy has been 4 times cover of operating cash flows. However, such policy is reviewed from time to time to take into account various economic and operating factors. Dividends are payable when the Directors of the company deem it fit to do so.

##### 13. AUTHORISATION FOR THE PROPOSED TRANSACTION AND LISTING

Authorisation for Proposed Demerger will be sought from Shareholders at the EGM scheduled for 18 November 2021. No authorisations from shareholders will be required to give effect to the Listing of Tanganda on the ZSE.

##### 14. CAPITAL COMMITMENTS, LEASE COMMITMENTS AND CONTINGENT LIABILITIES

The Group had the following capital commitments as at 31 March 2021:

	ZWL
Capital commitments authorised but not yet contracted for	3.7 billion
Group's share of capital commitments of joint operations	223.3 million

Notes: these are commitments for the acquisition of property, plant and equipment

##### 15. INTEREST BEARING LOANS AND BORROWINGS

###### 15.1 BORROWING POWERS OF THE DIRECTORS

In terms of Clause 56 and 57 of the Articles of Association, the Directors may raise or borrow funds for the purposes of the Group's business. Such sum or sums of money as in aggregate at any time shall not without the previous sanction of the Company in General Meeting exceed twice the total value of the funds attributable to the shareholders of the Company from time to time.

###### 15.2 MATERIAL BORROWINGS

At the date of issue of this Abridged Circular, Meikles had not entered any material contracts, other than in the ordinary course of business.

###### 15.3 LOAN RECEIVABLES

Gondor Capital Limited, a shareholder entity holds US\$11,737,013 for the Group. The funds are non-interest bearing and are due and payable to the Group on 30 June 2025. As in prior years and as at 31 March 2021, Gondor Capital confirmed that funds amounting to US\$11,737,013 are owed to Cape Grace Investments Limited (BVI), a wholly owned foreign subsidiary of the Group. Gondor Capital holds shares in Meikles Limited and certain investments that are pledged as collateral to support this amount.

##### 16. MATERIAL CONTRACTS

At the date of issue of this Abridged Circular, Meikles had not entered any material contracts, other than in the ordinary course of business.

##### 17. LITIGATION STATEMENT

The Company and its subsidiaries (including Tanganda) are not involved in any litigation or arbitration proceedings which may have, or which have had, during the twelve months preceding the date of this Abridged Circular, a significant effect on the financial position of the Group, nor is the Group aware that any such proceedings are pending or threatening.

##### 18. EXPERTS CONSENTS

Imara, Wintertons, ZB, Invictus, Ernst & Young and Deloitte have given and have not withdrawn their written consents to the issue of this Abridged and full Circular with the inclusion of their names and reports in the forms and contexts in which they appear.

##### 19. DOCUMENTS AND CONSENTS AVAILABLE FOR INSPECTION

Between 26 October 2021 and 18 November 2021 copies of the following documents will be available for inspection, during normal working hours, at the Zimbabwean office of the Company, as well as Imara, ZB Transfer Secretaries and Invictus:

- The Memorandum and Articles of Association of Meikles;
- Significant contracts of the Company;
- The Independent Reporting Accountant's Report on the historical financial information as set out in Appendix 1 of the full Circular;
- The five year audited financial statements of Meikles for the years ended 31 March 2017 to 31 March 2021;
- The Independent Reporting Accountant's Report on the pro-forma financial information on Meikles set out in Appendix 3 of the full Circular;
- Signed letters of Consent from all experts and advisors;
- The ZSE Listings Committee approval letter for the issuance of this Circular; and
- The copy of the full Circular signed by the Directors.

##### 20. DIRECTORS RESPONSIBILITY STATEMENT

The Directors, whose names appear on Paragraph 4.1 of Part B of this Abridged Circular, collectively and individually accept full responsibility for the accuracy of the information given and certify that to the best of their knowledge and belief there are no other facts the omission of which would make any statement false or misleading, that they have made all reasonable enquiries to ascertain such facts.

The Directors confirm that this Revised Listing Statement include all such information within their knowledge (or which it would be reasonable for them to obtain by making enquiries) that investors and their professional advisers would reasonably require and reasonably expect to find for the purpose of making an informed assessment of the assets and liabilities, financial position, profits or losses and prospects of the issuer, and of the rights attaching to the securities to which the listing particulars relate.

Director	Position	Signature
John Ralph Thomas Moxon	Non-executive Chairman	Signed on Original
Thompson Muzvavandoga	Finance Director	Signed on Original
Malcolm Richard Mycroft	Executive Director	Signed on Original
Kazilek Ncube	Executive Director	Signed on Original
Rugare Chidembo	Non-executive Director	Signed on Original
Cathrine Charmaine Chitiyo	Non-executive Director	Signed on Original
Stewart Philip Cranswick	Non-executive Director	Signed on Original
Simon James Hammond	Non-executive Director	Signed on Original
James Andrew Mushore	Non-executive Director	Signed on Original



Yours faithfully,  
**John R.T. Moxon**  
Chairman of the Board