

ECONET

Wireless

CIRCULAR TO ECONET WIRELESS ZIMBABWE LIMITED SHAREHOLDERS

Date of issue of this document: Monday, 24 July 2023



ECONET WIRELESS ZIMBABWE LIMITED

(Incorporated in Zimbabwe on 4 August 1998 under Company registration number 7548/98)

ZSE alpha code: ECO ISIN: ZW 000 901 212 2

(Econet or the Company)

THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION*The definitions and interpretations commencing on page 8 of this Circular apply to this cover mutatis mutandis.***ACTION REQUIRED TO BE TAKEN BY SHAREHOLDERS:**

In respect of the general meeting:

1. If you have disposed of all your shares, this circular should be handed to the purchaser of such shares or to the CSDP, broker, banker or other agent through whom such disposal was effected.
2. The EGM will be convened on the date and time, and in the manner set out in the Notice Convening the EGM.
3. Whether or not you plan to attend the EGM, **PLEASE COMPLETE AND SIGN THE FORM OF PROXY** and return it as soon as possible, but in any event so as to be received by no later than 14:30 hours on 4 August 2023. This will enable your votes to be counted at the EGM in the event of your absence. Shareholders may participate in the general meeting themselves, or through their proxies.
4. It is important that at the EGM as many votes as possible are cast so that there is a fair and reasonable representation of the opinion of the Econet shareholders. You are therefore strongly urged to sign and return your Form of Proxy as soon as possible. The completion and return of the form of Proxy will not preclude you from attending and voting in person at the EGM.
5. If you are a dematerialised shareholder other than with own-name registration, then your CSDP or broker, as the case may be, should contact you to ascertain how you wish to cast your vote at the general meeting, and thereafter cast your vote in accordance with your instructions. This should be done in terms of the agreement entered into between you, as a dematerialised shareholder, and the CSDP or broker. If you wish to attend the general meeting in person, or wish to be represented thereat, you should inform your CSDP or broker, as the case may be, of your intention to attend and vote at the general meeting or to be represented by proxy thereat in order for your CSDP or broker to issue you with the necessary letter of representation to do so. If you, as a dematerialised shareholder, have not been contacted by your CSDP or broker, it would be advisable for you to contact your CSDP or broker, as the case may be, as soon as possible and furnish them with your instructions in the manner and by the cut-off time stipulated in the aforesaid agreement between you and the CSDP or broker.
6. If you are in any doubt as to what action you should take with regards to the EGM, you should consult your CSDP, broker, banker, legal advisor, accountant or other professional advisor immediately.

In respect of the Rights offer:

1. Holders of Econet Shares are entitled to participate in the Rights Offer in the same ratio of Entitlement in relation to one another.
2. Shareholders are referred to pages 5 to 6 of this Circular, which sets out the action required of them with regard to the Rights Offer, full details of which are set out in this Circular. If you are in any doubt as to the action that you should take, please consult your Broker, CSDP, banker, legal advisor, accountant or other professional advisor immediately.
3. The Rights that are represented by Letters of Allocation are valuable and may be renounced or sold on the ZSE. Letters of Allocation, which are renounceable can, however, only be traded in Dematerialised form.
4. Only whole numbers of Econet Shares will be issued in terms of the Rights Offer. The Letter of Allocation to which the Form of Instruction enclosed with this Circular (where applicable) relates is negotiable and may be sold on the ZSE. Excess applications will not be allowed.

Disclaimer

1. **Econet does not accept any responsibility and will not be held liable for any failure on the part of a CSDP or broker of a Dematerialised Shareholder to notify such Shareholder of the information set out in this Circular.**
2. The advisors are acting for the Company only and shall not be responsible to any other person for providing the protections offered to their clients.

Help

3. If you have any questions relating to this Document or the completion of the Form of Proxy, please contact the Group Company Secretary, Mr C.A. Banda on +2638677195906 or via email on companysecretary@econet.co.zw or contact the transfer secretaries, First Transfer Secretaries on 04-782869/72 or via email on infor@fts.net.com

CIRCULAR TO SHAREHOLDERS

This circular contains a renounceable and fully underwritten Rights Offer by Econet Wireless Zimbabwe Limited to the registered holders of ordinary shares in Econet Wireless Zimbabwe Limited as at 18 August 2023 to subscribe for 401,586,371 ordinary shares at a subscription price of US\$0.0755 per each share, on the basis of 17.122 ordinary shares for every 100 shares already held. Each rights offer share shall be payable in full in United States Dollars with an option to pay in Econet Wireless Zimbabwe debentures at a price of US\$0.06252 per each debenture.

Enclosed in this Circular are the following Documents:**a. NOTICE OF EXTRAORDINARY GENERAL MEETING**

Notice is hereby given that an Extra-Ordinary General Meeting of the members of Econet Wireless Zimbabwe Limited will be held on 7 August 2023 at 14:30 hrs for the purposes of transacting the business indicated in the detailed Notice enclosed at the end of this circular. Attendance at the meeting may be electronic as detailed in the attached Notice.

b. FORM OF INSTRUCTION IN RESPECT OF A LETTER OF ALLOCATION**Rights Offer opens at the commencement of trade on 21 August 2023****Rights Offer closes at 14:30hrs on 8 September 2023**

Shareholders are referred to Part G of this Circular, which outlines the Directors' responsibility in regard to this Circular.

Each of the Company's adviser, whose names are set out in the "Corporate Information" page of this Circular, have consented in writing to act in the capacity stated and to their names being stated and, where applicable, their reports being included, in the form and context in which they appear in this Circular and have not withdrawn such consent prior to the publication hereof.

A copy of this Circular, together with the Form of Instruction, were lodged and approved by the ZSE.

Lead-Financial Advisors**Transfer Secretaries****Legal Advisor****Sponsoring Broker****Independent Financial Advisor****Reporting Accountants & Auditors****Exchange Control Advisor****Underwriter****Date of issue: 24 July 2023**

Copies of this Circular, which are available in English only, may be obtained from the registered office of the Company and the Transfer Secretaries at the addresses set out in the "Corporate information" section of this Circular during normal business hours from 2 August 2023 up to and including 18 August 2023 or on the Company's website at www.econet.co.zw

CORPORATE INFORMATION AND ADVISORS

Directors

Independent Non-Executive

Dr James Myers (Chairman)
Mr Martin Edge
Mr Godfrey Gomwe
Dr Jacqueline Chimhanzi
Mr Mqgibelo Gasela
Ms Thoko Moyo

Non-Executive

Mr Hardy Pemhiwa
Ms Beatrice Mtetwa
Ms Elizabeth Masiyiwa

Executive

Dr Douglas Mboweni
Mr Roy Chimankire
Mr Chengeto Moyo

Date and place of incorporation of Econet Wireless Zimbabwe Limited

Incorporated in Zimbabwe on 4 August 1998
under Company registration number 7548/98

Group Company Secretary and Registered Office

Charles. A Banda

Econet Wireless Zimbabwe Limited,
2 Old Mutare Road,
Harare, Zimbabwe

Lead Financial Advisor

TN Financial Services (Pvt) Limited

19 Collins Avenue, Chisipite,
Harare, Zimbabwe

Transfer secretaries

First Transfer Secretaries

1 Armagh Avenue, Eastlea,
Harare, Zimbabwe

Legal Advisors

Mtetwa & Nyambirai

Legal Practitioners, Conveyancers,
Notaries Public, Estate Administrators
No. 2 Meredith Drive, Eastlea,
Harare, Zimbabwe

Sponsoring Brokers

Bethel Equities (Private) Limited

23 Boundary Road, Eastlea,
Harare, Zimbabwe

Independent Financial Advisors

James Andrewes & Associates (Private) Limited

P O. Box HG999, Highlands,
Harare, Zimbabwe

Reporting Accountants and Auditors

BDO Zimbabwe Chartered Accountants

Kudenga House
3 Baines Avenue,
Harare, Zimbabwe

Underwriter

TN Asset Management (Pvt) Ltd

64 Knightsbridge
Highlands
Harare, Zimbabwe

Exchange Control Advisor

Steward Bank Limited

79 Livingstone Avenue
Harare, Zimbabwe

Note:

The above advisors have given and, as the date of this circular, have not withdrawn their written consent to the publication of their names, addresses, logos and the statements attributed to each of them in the context in which they appear in this circular.

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ACTION REQUIRED TO BE TAKEN BY SHAREHOLDERS

The definitions and interpretations commencing on page 8 of this Circular apply to this section headed "Action required to be taken by Shareholders"

This circular is important and requires your immediate attention. Please take careful note of the following provisions regarding the action required to be taken by shareholders. If you are in any doubt as to what action to take, please consult your broker, CSDP, banker, attorney, accountant or other professional advisers immediately.

1. EGM

1.1 A form of proxy is attached for the convenience of holders of certificated shares and those whose shares are registered in their own name but are dematerialized, who are unable to attend the EGM, but wish to be represented thereat. In order to ensure validity, it is recommended that duly completed forms of proxy should be returned to the transfer secretaries, so as to reach them by no later than the time stipulated in the notice.

1.2 If the shareholder holds shares that are dematerialised but not held under his/ her own name, then the CSDP or broker, as the case may be, should contact the shareholder in question to ascertain how they wish to cast their vote at the EGM. The CSDP or broker should thereafter cast the vote in accordance with the instructions. This should be done in terms of the agreement entered into between the shareholder whose shares are dematerialised and the CSDP or broker. If the shareholder whose shares are dematerialised wishes to attend the EGM in person, via electronic participation or wishes to be represented thereat, they should inform their CSDP or broker, as the case may be, of their intention to attend and vote at the EGM or to be represented by proxy thereat in order for their CSDP or broker to issue them with the necessary letter of representation to do so. If a shareholder whose shares are dematerialised has not been contacted by their CSDP or broker, it would be advisable for them to contact their CSDP or broker, as the case may be, as soon as possible and furnish them with their instructions in the manner, and by the cut-off time stipulated in the aforesaid agreement between the holder whose shares are dematerialized and the CSDP or broker.

1.3 If you are a certificated shareholder or you hold in your name, shares that are dematerialised, you may attend the EGM in person and may vote at the EGM. Alternatively, you may appoint a proxy to represent you at the EGM by completing the attached form of proxy and returning it to the transfer secretaries so as to reach them by no later than the recommended time.

2. RIGHTS OFFER

A Form of Instruction for completion by Qualifying Shareholders who hold Certificated Shares is enclosed with this Circular and the relevant procedure for participation in the Rights Offer is set out below.

2.1 If you are a Qualifying Shareholder holding Certificated Shares or dematerialised shares in your own name and wish to subscribe for all or part of your entitlement in terms of the enclosed Form of Instruction, you must complete the enclosed Form of Instruction in accordance with the instructions contained therein and lodge it, together with the proof of payment of the amount due in USD and the payment reference number (Payment is to be made into the Designated Bank Account, details of which are set out in paragraph 8.3 of section b of this circular), with the Transfer Secretaries as follows

By electronic mail	By Hand
Econet Wireless Zimbabwe Limited – Rights Offer Email: info@fts-net.com	Econet Wireless Zimbabwe Limited – Rights Offer c/o First Transfer Secretaries 1 Armagh Avenue, EastleaHarare, Zimbabwe

2.2 So as to be received by the Transfer Secretaries by no later than 14:30 hrs on 8 September 2023.

2.3 The Transfer Secretaries will not be responsible for any loss and/or damage whatsoever in relation to or arising from the late or non-receipt of emailed Forms of Instruction or owing to Forms of Instruction being forwarded to any email address other than that provided above. Forms of Instruction shall be deemed to be received on the date reflected in the Transfer Secretaries' electronic system. Notwithstanding anything to the contrary, it is the responsibility of all Shareholders to ensure that their Form of Instruction is received by the Transfer Secretaries.

ACTION REQUIRED TO BE TAKEN BY SHAREHOLDERS (CONTINUED)

2. RIGHTS OFFER (CONTINUED)

- 2.4 **Econet and the Transfer Secretaries accept no responsibility and will not be held liable for any allocation of Rights Offer Shares pursuant to payment being made or alleged to have been made by way of electronic transfer and where proof of such payment has not been received or purported proof of such payment being insufficient or defective for Econet and the Transfer Secretaries, for any reason, not being able to reconcile a payment or purported payment with a particular application for Rights Offer Shares.**
- 2.5 If the required documentation and payment have not been received in accordance with the instructions contained in the enclosed Form of Instruction by 14:30 hrs on 8 September 2023, then the Rights to those unsubscribed Rights Offer Shares will be deemed to have been declined and the Rights Offer entitlement will lapse.
- 2.6 Action required by dematerialised shareholder other than with own-name registration.
- 2.6.1 You will not receive a printed Form of Instruction and you should receive notification from your CSDP or broker regarding the Rights to which you are entitled in terms of the Rights Offer.
- 2.6.2 Your CSDP or broker will credit your account with the number of Rights to which you are entitled and will contact you to ascertain whether you wish to follow your Rights in terms of the Rights Offer and, if so, in respect of how many Rights Offer Shares, or if you wish your Rights to lapse.
- 2.6.3 Rights not exercised will be deemed to have been declined and will lapse and you will not receive any economic benefit in respect of such lapsed Rights.
- 2.6.4 CSDPs effect payment in respect of Qualifying Shareholders who have Dematerialised their Econet Ordinary Shares on a delivery versus payment basis. You must ensure that you have sufficient funds in your account to settle the aggregate Rights Offer Price payable in respect of the Rights Offer Shares for which you wish to subscribe.
- 2.6.5 You are required to notify your duly appointed CSDP or broker of your acceptance of the Rights Offer in the manner and time stipulated in the custody agreement governing the relationship between yourself and your CSDP or broker. If you are not contacted, you should proactively contact your CSDP or broker and provide them with your instructions. If your CSDP or broker does not obtain instructions from you, they are obliged to act in terms of the mandate granted to them by you, or if the mandate is silent in this regard, not to subscribe for Rights Offer Shares in terms of the Rights Offer.
- ### 3. DISCLAIMER
- 3.1 All transactions arising from the provisions of this Circular and the Form of Instruction shall be governed by and be subject to the laws of Zimbabwe.
- 3.2 Should any person who is not a Shareholder receive this Circular they should not and will not be entitled to acquire any Shares or Letters of Allocation or otherwise act thereon.
- 3.3 This Circular and any accompanying documentation are not intended to, and do not constitute, or form part of, an offer to sell or an invitation to purchase or subscribe for any securities or a solicitation of any vote or approval in any jurisdiction in which it is unlawful to make such an offer. In those circumstances or otherwise if the distribution of this Circular and any accompanying documentation in jurisdictions outside of Zimbabwe are restricted or prohibited by the laws of such jurisdiction, this Circular and any accompanying documentation are deemed to have been sent for information purposes only and should not be copied or redistributed.
- 3.4 **Econet does not take responsibility and will not be held liable for any failure on the part of any CSDP or broker to notify you of the Rights Offer and/or to obtain instructions from you to subscribe for the Rights Offer Shares.**

SALIENT DATES AND TIMES

The definitions and interpretations commencing on page 8 of this Circular apply to these important dates and times:

EVENT	DATE
Rights Offer Circular published on website	Monday, 24 July 2023
Publish the abridged version of the rights offer circular in press	Monday, 24 July 2023
Posting of Rights Offer Circular to shareholders	Wednesday, 2 August 2023
Last Day for receipt of proxies for the general meeting by 10:00 hrs	Friday, 4 August 2023
EGM to be held at 14:30 hrs.	Monday, 7 August 2023
Press announcement to publish the EGM results	Wednesday, 9 August 2023
Press announcement giving the final dates for the rights offer	Wednesday, 9 August 2023
Last day to trade in Shares in order to participate in the Rights Offer (cum entitlement)	Friday, 11 August 2023
Shares commence trading ex-entitlement at 09:00 hrs on	Wednesday, 16 August 2023
Last day for receipt of postal registrations	Wednesday, 16 August 2023
Record Date for the Rights Offer (record date for determination of shareholders entitled to participate in the rights offer)	Friday, 18 August 2023
Letters of allocation posted to shareholders registered for the Rights Offer	Monday, 21 August 2023
Listing of and trading in the Letters of Allocation on the ZSE commences at 09:00 hrs on	Monday, 21 August 2023
Rights Offer opens at 09:00 hrs	Monday, 21 August 2023
Certificated Shareholders will have their Letters of Allocation credited to an electronic account held at the Transfer Secretaries at 09:00 hrs	Monday, 21 August 2023
Dematerialised Shareholders will have their Letters of Allocation credited to their accounts held at their CSDP or broker at 09:00hrs	Monday, 21 August 2023
Last day to trade Letters of Allocation on the ZSE 14:30 hrs	Wednesday, 6 September 2023
Securities that are the subject of the rights offer listed (if granted)	Thursday, 7 September 2023
Payment made and Form of Instruction lodged by Shareholders wishing to exercise all or part of their entitlement at the Transfer Secretaries by 14:30 hrs on	Friday, 8 September 2023
Rights Offer closes at 14:30 hrs	Friday, 8 September 2023
Last day of postal Acceptance of the rights offer	Wednesday, 13 September 2023
Results of Rights Offer announced	Friday, 15 September 2023
Rights Offer Shares issued on	Monday, 18 September 2023
CSDP or Broker accounts in respect of Shareholders holding Dematerialised Shares will be updated with Rights Offer Shares and debited with any payments due on	Monday, 18 September 2023
Rights Offer Shares issued and posted to Shareholders holding Certificated Shares	Monday, 18 September 2023

Notes:

- The above dates and times are subject to change. Any changes will be published in the press.
- All times quoted in this Circular are local times in Zimbabwe.

DEFINITIONS AND INTERPRETATIONS

In this Circular, unless the context indicates a contrary intention, an expression which denotes any gender includes the other genders, any reference to a natural person includes a juristic person and vice versa, the singular includes the plural and vice versa and the following expressions bear the meanings assigned to them, below:

“Board”, “Board of Directors” or “Directors”	the Board of Directors of Econet Wireless Zimbabwe Limited;
“Broker”	A person registered as a “Broking Member” by the ZSE and licensed by the Securities Exchange Commission of Zimbabwe to trade in financial securities;
“Certificated shares”	Shares which have not been dematerialised, title to which is represented by a physical share certificate;
“Circular” or “Document”	This Circular dated, 24 July 2023 to Shareholders of EWZL;
“Companies Act” or “COBE”	The Companies And Other Business Entities Act [Chapter 24:31] of Zimbabwe, as amended;
“Conditions Precedent”	The conditions precedent to the rights offer set out in section 10 of Part B of this Circular;
“CSDP”	Central securities depository participant;
“Dematerialisation”	Is the process of converting physical shares into electronic format;
“Econet” or “EWZL”	Econet Wireless Zimbabwe Limited (registration number 7548/1998), a company duly incorporated in accordance with the laws of Zimbabwe. The company is listed on the ZSE under alpha code ECO and ISIN ZW 000 901 212 2;
“EGM”	The Extraordinary General Meeting of shareholders of the Company which shall be held, at 14:30 hrs on 7 August 2023. Shareholders will be asked to connect and attend virtually via the link: https://econet.escrowagm.com/ ;
“EPS”	Earnings per share;
“EWZL Debenture holder”	A holder of EWZL debentures registered in the EWZL debenture register as at the record date;
“Econet Shareholder”	A holder of Econet shares registered in the Econet’s share register as at the record date;
“Exchange Control Regulations”	The Exchange Control Regulations currently in force in Zimbabwe;
“Form of Proxy” or “Proxy Form”	The form, accompanying this document, which provides for Econet’s shareholders to appoint a proxy to attend the EGM and vote on their behalf;
“Lead Advisor” or “TNFS”	TN Financial Services (Private) Limited, a company incorporated in Zimbabwe under registration 5548/97 and that is duly registered with the Securities and Exchange Commission of Zimbabwe to conduct financial advisory services;
“Member”	Econet’s shareholder;
“MOA” or “M&A”	the Memorandum and Articles of Association of Econet Wireless Zimbabwe Limited;
“Ordinary Shares”	The ordinary shares of Econet with a nominal value of zwl0.001 each in the share capital of Econet;
“Qualifying Shareholders”	Econet Shareholders registered as such on the register of the Company on the Record Date.
“RBZ”	Reserve Bank of Zimbabwe;
“Record Date”	The date on which the Econet share register will be closed for purposes of determining the eligibility of shareholders to participate in the proposed transaction which date is the close of business on 18 August 2023;
“Registrar”	The Zimbabwean Registrar of Companies;
“Sponsoring Broker”	Sponsoring broker on the proposed Rights Offer, namely Bethel Equities (Private) Limited;

DEFINITIONS AND INTERPRETATIONS (CONTINUED)

TERP	the theoretical ex-Rights price per Share of US\$0.1025 calculated as: (A + B)/C where: <ul style="list-style-type: none"> – A = Market capitalisation of EWZL as at 20 July 2023 (being the last practicable date) (being an amount of US\$251,368,713) – B = Cash raised from the Rights Offer, assuming that the Rights Offer is fully subscribed (being US\$30,319,771) – C = Number of Shares in issue following implementation of the Rights Offer (2,747,018,774 Shares - excluding treasury Shares)
“the Bank”	Steward Bank Limited offers commercial banking services in Zimbabwe. It plays a pivotal role in the Econet Group, especially for mobile money platform, as the bank holds the banking licence necessary for money transfer services;
“Transfer Secretaries” or “FTS”	Transfer secretaries to Econet, namely First Transfer Secretaries (Private) Limited;
“USD” or “US\$”	The United States Dollar, the lawful currency of the United States of America, being a legal currency in Zimbabwe as well;
“VWAP”	volume weighted average trading price.
“Zimbabwe”	The Republic of Zimbabwe;
“ZSE”	Zimbabwe Stock Exchange Limited;
“ZWL”	The Zimbabwe Dollar, the lawful currency of Zimbabwe;

**ECONET WIRELESS ZIMBABWE LIMITED**

(Incorporated in Zimbabwe on 4 August 1998 under Company registration number 7548/98)
ZSE alpha code: ECO ISIN: ZW 000 901 212 2

PART A: SALIENT FEATURES

The following is a summary of the principal terms and conditions of the Rights Issue, and should be read in conjunction with the full text of this Rights Offer Circular, and is qualified in its entirety by reference to information appearing elsewhere in this Rights offer Circular.

Offer:	<ul style="list-style-type: none"> Rights offer of 401,586,371 new shares at an issue price of US\$0.0755 each. A shareholder of Econet will be entitled to subscribe for 17.122 new shares for every 100 shares held on 18 August 2023.
Issue Price:	<ul style="list-style-type: none"> US\$0.0755 for each Rights offer Share, payable in full upon acceptance with an option to pay in the form of Econet debentures at the price of US\$ 0.06252 per each debenture. The Subscription Price represents a discount of approximately 50% to the 30-day VWAP as at 20 July 2023, being the last practicable date.
Amount to be raised	<ul style="list-style-type: none"> US\$ 30,319,771
Purpose of the rights offer	The estimated net proceeds from the Rights Issue, after deducting the rights issue commission and other estimated fees and expenses (including professional fees and expenses) of approximately US\$2 million to be incurred in connection with the Rights Issue, are expected to be approximately US\$28.3 million, will be used to urgently redeem its portion of the amount that is due to debenture holders in terms of the Debenture Trust Deed that was executed by the Company and the Debenture Trustees on 18 January 2017 and registered with the Registrar of Deeds on 25 January 2017 as Number MA0000089/2017 and amended on 12 June 2019 as Number MA0001295/2019.
Opening date of rights offer	21 August 2023
Closing date of rights offer	8 September 2023
Issue Date of Shares	18 September 2023
Payment terms	<ul style="list-style-type: none"> Shareholders are being given an option to subscribe either in United States Dollars or EWZL Debentures at a price of US\$0.06252 per each debenture held by the Company's shareholder in terms of the debenture register as at the record date.
Underwriting	The Rights Issue will be fully underwritten. Please refer to Annexure III of this circular.
Governing Law	Laws of Zimbabwe

Directors**Independent Non-Executive:**

Dr James Myers (Chairman), Mr Martin Edge, Mr Godfrey Gomwe, Dr Jacqueline Chimhanzi, Mr Mqgibelo Gasela, Ms Thoko Moyo.

Non-Executive:

Mr Hardy Pemhiwa, Ms Beatrice Mtetwa, Ms Elizabeth Masiyiwa.

Executive:

Dr Douglas Mboweni, Mr Roy Chimanikire, Mr Chengeto Moyo.

Registered Office:

Econet Wireless Zimbabwe Limited, 2 Old Mutare Road, Harare, Zimbabwe

PART B: LETTER TO SHAREHOLDERS

24 July 2023

Dear Shareholder**1 PROPOSED RIGHTS OFFER**

- 1.1 The Board of Directors has resolved to offer to the Shareholders of the Company, registered as such at the close of business on Friday, 18 August 2023, being the Record Date, 401,586,371 Rights Offer Shares for subscription at a ratio of 17.122 rights Offer Shares for every 100 shares already held, in United States Dollars at a price of US\$0.0755 each payable in full in United States Dollars on acceptance with an option to pay in EWZL debentures at price of US\$0.06252 per share.
- 1.2 The combined capital raise from the rights offer will amount to circa US\$30.3Million.
- 1.3 The estimated net proceeds from the Rights offer, will be used to repay the debenture holders.
- 1.4 EWZL has received an undertaking from existing shareholders representing 50% of the issued shares to follow their rights in full and the company has an underwriting agreement with TN Asset Management to subscribe for any shares that have not been subscribed for by existing shareholders. The undertakings to follow rights and underwriting commitments have guaranteed that US\$30.3million will be raised.
- 1.5 Against the above background the Directors propose to convene an EGM to be held on 7 August 2023 to seek Shareholders Approval of the right offer as outlined in paragraph 6 of Part B of this circular.

2 PURPOSE OF THIS CIRCULAR

The principal purpose of the full version of the circular, in addition to the abridged version of the circular is:

- 2.1 To furnish members with the terms and conditions of the Rights Offer. Any members, including those who are not registered to participate in the rights offer shall be entitled to a copy of the full version of this circular free of charge within seven days of requesting such a copy in writing and delivering the letter to the Group Company Secretary and the Registered Address of the company.
- 2.2 To furnish members with the form of instruction that they shall use in participating in the Rights Offer. The enclosed Form of Instruction, where applicable, contains details of the rights offer to which Qualifying Shareholders are entitled, as well as the procedures for acceptance of rights or the sale or renunciation of their Letters of Allocation.
- 2.3 To convene an Extraordinary General Meeting for Shareholders to consider and vote on the Shareholder Resolutions for which Shareholder approval is sought.
- 2.4 Provide shareholders with the independent expert report on the subscription price of the rights offer; and
- 2.5 Advise shareholders of the Board's recommendation regarding the proposed rights offer.

PART B: LETTER TO SHAREHOLDERS (CONTINUED)

3 RATIONALE FOR THE RIGHTS OFFER

3.1 Debenture Obligations

3.1.1 Shareholders are referred to:

3.1.1.1 Circular to shareholders of EWZL dated 17 January 2017 regarding a capital raise of USD130 million through an offer to members of the company, pro rata to their respective existing shareholding, of 1,082,088,944 ordinary shares plus 263,050,614 Class A shares at a subscription price of US\$0.05 per share, on the basis of circa 82 ordinary shares for every 100 shares held. With each right offer share linked to a redeemable accrual debenture with a subscription price of US\$0.04665 at a coupon rate of 5% per annum ("the Capital Raise").

3.1.1.2 Circular to shareholders of EWZL dated 8 November 2018 that related to the demerger from EWZL (the mobile network operations business), of the Company's Technology business under a new holding company called Cassava SmarTech Zimbabwe Limited -now EcoCash Holdings Zimbabwe Limited following a change of name in terms of the circular to shareholders of the company dated 20 December 2021- ("the Demerger").

3.1.1.3 Notice to holders of 1 166 906 518, 5% unsecured debentures of EWZL dated 13 July 2021 ("the Early redemption").

3.1.1 In terms of the capital raise circular, a total of 1,166, 907, 069 debentures with a maturity value of US\$ 72,955,002 were issued. The Debentures were created under the Debenture Trust Deed that was executed by EWZL and the Debenture Trustees on 18 January 2017 and registered with the Registrar of Deeds on 25 January 2017 as Number MA0000089/2017 2017 and amended on 12 June 2019 as Number MA0001295/2019.

3.1.2 Pursuant to the demerger and subsequent amendment of the debenture trust deed (MA0001295/2019), 50% of the debentures with a maturity value of US\$36,477,051 were allocated to EcoCash Holdings, the resultant company. Thus, leaving Econet with the 50% of the debenture obligations at maturity.

3.1.3 Following a voluntary offer to debenture holders to retire some of the debentures, 262,128,359 debentures were redeemed and 904,778,710 debentures which remain will have a maturity value of US\$ 56,566,743. The debentures were due for redemption in April 2023. In terms of the demerger terms, Econet's share of the outstanding debentures is US\$28,283,372.

3.1.4 To allow the company time to finalise its financial statements for the year ended 28 February 2023, the company entered into an arrangement with the debenture holders to extend the redemption of debentures to August 2023, being the month during which the proceeds from the Rights Offer are expected to be received.

3.2 Consequences of not raising additional capital in Foreign Currency

3.2.1 The company does not have adequate resources to meet the debentures' maturity. To avoid defaulting on its debenture obligations that are in hard currency, the company intends to raise foreign currency amounting to US\$30,319,771 from its members by way of a rights offer of shares with an option for shareholders to use EWZL debentures as a currency to subscribe.

3.2.2 The company cannot accept local currency payments as these debenture payments are in hard currency with 90% required to be made to external debentureholders.

3.2.3 If the proposed rights offer is not implemented the Company will be faced with the risk of defaulting on its Debenture maturity obligations which could trigger the company's creditors to call on the amounts due to them before maturity as the Company will be deemed to have committed an event of default. This will also damage the company's prospects of accessing future loan facilities.

PART B: LETTER TO SHAREHOLDERS (CONTINUED)

3.3 Use of EWZL Debentures as payment option

3.3.1 Although the participation in the Rights Offer was optional, the Debentures were mandatory for members electing to participate in the EWZL Rights Offer of January 2017. Consequently, top twenty shareholders constituting 90% of the issued share capital of the company are holders of 92% of debentures in issue. It is the Directors opinion that the use of debentures as an acceptable mode of payment will present an opportunity for this group of shareholders to participate in the rights offer.

3.3.2 Debenture holders who are also Econet's Shareholders have agreed to use their EWZL debentures to subscribe for their rights under the rights offer representing 50% of the total rights available.

4 REGULATORY REQUIREMENTS IN RESPECT OF THE RIGHTS OFFER

4.1 The 401,586,371 rights offer shares that are expected to be issued represent 17.122% of the current issued shares. In this case the listings particulars are not required as the shares to be issued pursuant to the Rights Offer will be less than 30% of the shares already in issue.

4.2 Therefore this circular has been prepared in compliance with sections 171(g) and 285(2) of the listing rules.

4.3 To the best of the knowledge, information, and belief of the Directors, after having made all reasonable enquiries, as at the Latest Practicable Date, no Shareholders would be required to abstain from voting on the resolutions approving the Rights Offer at the EGM convened to consider the rights offer as all shareholders of the Company are similarly materially interested in the capital raise.

5 PRICING

5.1 The Subscription Price represents a discount of approximately 50% to the 30-day VWAP as at 20 July 2023 being the last practicable date, and a discount of 26% to the TERP of Econet Shares calculated on the same date.

5.2 The Subscription Price was determined by the Company with reference to, among others,

- (i) the recent closing prices of the Shares;
- (ii) prevailing market conditions and the financial position of the Group;
- (iii) the amount of funds the Company intends to raise under the Rights offer;
- (iv) the average discounts that have been used in other rights offers in the world; and
- (v) the exchange rate developments.

5.3 The discount range is relatively wide because of the volatility of the Zimbabwean currency, which is the currency in which the shares are denominated. Under the circumstances, whilst the observable discount range is wide, the discount selected for the Offer will depend largely on the valuation of the currency at the time the circular is released for purposes of convening the Extraordinary General Meeting. Having considered the most recent information, prior to publication of the Circular, it will be appropriate to use a discount of 50%. This discount level provides a closer estimate to the real underlying value of the share, as determined by the market, under the present market conditions, with an appropriate differential to incentivise Shareholders to subscribe to the Rights Offer. It is our considered opinion that the determined rights offer discount, determined by the Directors after taking appropriate professional advice, set out in Part D of this circular, is reasonable.

PART B: LETTER TO SHAREHOLDERS (CONTINUED)

6 PARTICULARS OF THE RIGHTS OFFER

6.1 Terms of the Rights Offer

- 6.1.1 Econet hereby offers a total of 401,586,371 Rights Offer Shares for subscription to Qualifying Shareholders, upon the terms and conditions set out in this Circular and also as set out in the Form of instruction.
- 6.1.2 Econet will raise approximately US\$30.3 million in terms of the Rights Offer.
- 6.1.3 In terms of the Rights Offer:
- 6.1.3.1 Qualifying Shareholders are hereby offered renounceable Rights to subscribe for 17.122 Rights Offer Shares for every 100 Shares held by them on the Record Date at the Rights Offer Issue Price. These Rights will take the form of Letters of Allocation which will be issued to Qualifying Shareholders recorded in the Register at the close of trade on the Record Date.
- 6.1.3.2 Qualifying Shareholders who hold Letters of Allocation can elect, in whole or in part, to:
- allow their Letters of Allocation to lapse; or
 - take up their pro rata share of the Rights Offer Shares at the Rights Offer Issue Price based on their holding of Letters of Allocation on the Record Date, being 18 August 2023;
- 6.1.4 The Rights Offer is fully underwritten, as detailed in paragraph 8 of Part B of this circular.
- 6.1.5 The Rights Offer Shares will, upon allotment and issue, rank pari passu with all other existing Econet ordinary shares and shall be fully paid up and freely transferable.

6.2 Rights Offer Issue Price

- 6.2.1 The Rights Offer Issue Price of US\$0.0755 per Rights Offer Share represents a 50% discount to the 30-day volume weighted average traded price ("VWAP") on 20 July 2023, being the last practicable date.
- 6.2.2 Shareholders are being given an option to subscribe either in United States Dollars or EWZL Debentures at a price of US\$0.06252 per each debenture held by the Company's shareholder in terms of the debenture register as at the record date.

6.3 Opening and closing dates of the Rights Offer

- 6.3.1 The Rights Offer will open at 09:00 hrs on 21 August 2023 and close at 14:30 hrs on 8 September 2023.

6.4 Entitlement

- 6.4.1 Econet Shareholders will receive the right to subscribe for 17.122 Rights Offer Shares for every 100 Shares held on the Record Date (being Friday, 18 August 2023).

PART B: LETTER TO SHAREHOLDERS (CONTINUED)

- 6.4.2 Qualifying Shareholders who hold less than 100 Shares or who do not hold a multiple of 100 Shares, will be entitled, in respect of such holdings, to participate in the Rights Offer in accordance with the entitlement set out in Annexure II. In accordance with the ZSE Listings Requirements, in respect of fractional entitlements that arise, all allocations will be rounded down to the nearest whole number if they are less than 0.5, and rounded up to the nearest whole number if they are equal to or greater than 0.5, and no cash portion will be payable for any fractional entitlement.
- 6.4.3 Qualifying Certificated Shareholders and dematerialised shareholders with own name registration will have their Rights credited to an account in electronic format, held at the Transfer Secretaries, which will be administered by the Transfer Secretaries on their behalf. The enclosed Form of Instruction reflects the number of Rights Offer Shares for which the Qualifying Certificated Shareholders and dematerialised shareholders with own name registration is entitled to subscribe. The procedure to be followed by Qualifying Certificated Shareholders and dematerialised shareholders with own name registration for the acceptance of their Rights is reflected on the Form of Instruction.
- 6.4.4 Qualifying dematerialised shareholders other than with own-name registration will not receive a printed Form of Instruction but will have their Rights to subscribe for Rights Offer Shares credited in electronic form to their account held by their appointed CSDP or broker. The CSDP or broker will advise Qualifying Dematerialised Shareholders other than with own-name registration of the procedure to be followed and the timing for the acceptance or lapsing of such Rights.

6.5 Excess applications

- 6.5.1 There will be no provision for excess applications.

7 UNDERWRITING AND MINIMUM SUBSCRIPTION

- 7.1 In terms of the Underwriting Agreement, the Company has received a commitment from the Underwriter to fully underwrite the Rights Offer in respect of all Rights Offer Shares not taken up by other Shareholders in terms of the Rights Offer. The Underwriter has guaranteed settlement of the underwriting commitment as follows:
- 7.1.1 By ceding to EWZL the amount of Eight Million Eight Hundred and Six, Four Hundred and Fifty Two United States Dollars (US\$8,806,452.00) that it expects to receive from the Rights Offer upon the redemption of 140,858,151 debentures held by TNAM; and
- 7.1.2 By ceding the cash deposit amounting to US\$4,193,548 that is held with Steward Bank Limited.
- 7.2 In terms of the Underwriting Agreement, the Underwriter will receive an underwriting fee from the Company equal to 2.5% of the committed amount.
- 7.3 In the opinion of the independent non-executive Directors of the Board, the underwriting fee due to the Underwriter is not greater than the current market rate charged by independent underwriters.
- 7.4 The Board, after due and careful enquiry are of the opinion that the Underwriter has sufficient resources to meet its financial commitments in terms of the Underwriting Agreement.
- 7.5 No securities are offered as a preferential right to any person, other than as contemplated by virtue of the Rights Offer.
- 7.6 Details of the Underwriter, as required in terms of the Listings Requirements, are set out in Annexure III to this Circular.
- 7.7 Save as set out above, there have been no commissions, discounts or brokerages paid or payable in respect of underwriting of this Rights Offer within the preceding 3 years.

PART B: LETTER TO SHAREHOLDERS (CONTINUED)

8 PROCEDURE FOR ACCEPTANCE OF RIGHTS

8.1 Certificated Shares and dematerialised shares with own name registration

8.1.1 If you are a Qualifying Shareholder holding Certificated Shares or dematerialised shares with own name registration and wish to subscribe for all or part of your entitlement in terms of the enclosed Form of Instruction, you must complete the enclosed Form of Instruction in accordance with the instructions contained therein and lodge it together with payment of the subscription price with the Transfer Secretaries at the addresses set out in the "Corporate information" section of this Circular, so as to be received by the Transfer Secretaries by no later than 14:30 hrs on Friday, 8 September 2023. Once received by the Transfer Secretaries, the acceptance is irrevocable and may not be withdrawn.

8.1.2 If payment is not received on or before 14:30 hrs on 8 September 2023, the day of the closing of the Rights Offer, the Qualifying Shareholder will be deemed to have declined the Rights Offer and to subscribe for Rights Offer Shares pursuant to the Rights Offer.

8.1.3 **Qualifying Shareholders holding Certificated Shares are advised to take into consideration postal delivery times when posting their Forms of Instruction, as no late postal deliveries will be accepted.** Accordingly, Qualifying Shareholders are advised to deliver their completed Forms of Instruction together with their proof of payment and reference number by electronic mail, by hand or by courier, where possible to the Transfer Secretaries as set out in the enclosed Form of Instruction and in accordance with the provisions of Annexure VI of this Circular.

8.2 Dematerialised Shareholders other than with own-name registration

8.2.1 If you are a Qualifying Shareholder and have Dematerialised shareholder other than with own-name registration you will not receive a printed Form of Instruction. You should receive notification from your CSDP or Broker regarding the Rights to which you are entitled in terms of the Rights Offer.

8.2.2 If you are a Qualifying Shareholder holding Dematerialised shares other than with own-name registration and wish to follow your Rights in respect of the Rights Offer, you are required to notify your duly appointed CSDP or Broker of your acceptance of the Rights Offer in the manner and time stipulated in the custody agreement governing the relationship between yourself and your CSDP or Broker.

8.2.3 **Econet does not take responsibility and will not be held liable for any failure on the part of any CSDP or Broker to notify you of the Rights Offer and/or to obtain instructions from you to subscribe for the Rights Offer Shares.**

8.3 Payment

8.3.1 Payment by holders of Certificated Shares & Dematerialised shareholder with own-name registration.

8.3.1.1 The amount due on acceptance of the Rights Offer is payable only in United States Dollars with an option to use the EWZL Debentures at a price of US\$0.06252 per each debenture held by the Company's shareholder in terms of the debenture register as at the record date, being 18 August 2023. The payment details are as shown below.

Bank:	Steward Bank
Name:	EWZ Debenture Redemption Account
Account:	1046642542
Branch:	Avondale Corporate

PART B: LETTER TO SHAREHOLDERS (CONTINUED)

8.3.1.2 **For Cash payment** - A bank transfer accompanied by a reference number, together with a properly completed Form of Instruction, should be clearly marked "Econet – Rights Offer", and delivered to:

First Transfer Secretaries

1 Armagh Avenue, Eastlea, Harare, Zimbabwe

8.3.1.3 For Payment in Debentures - A completed debenture transfer form accompanied by the debenture certificate, together with a properly completed Form of Instruction, should be clearly marked "Econet – Rights Offer", and delivered to:

First Transfer Secretaries

1 Armagh Avenue, Eastlea, Harare, Zimbabwe

8.3.1.4 Payment received in respect of an application that is rejected or otherwise treated as void by Econet, or which is otherwise not validly received in accordance with the terms stipulated, in the case of cash payment will be refunded by way of bank transfer (without interest) in USD to the applicant concerned on or about 18 September 2023.

8.3.2 Payment by holders of Dematerialised Shares other than with own-name registration

8.3.2.1 **Payment by holders of Dematerialised shares other than with own-name registration - Payment will be effected on the Shareholder's behalf in USD or EWZL Debentures, as the case may be, by the CSDP or Broker. The CSDP or Broker will make payment in respect of Qualifying Shareholders holding Dematerialised Shares other than with own-name registration on a delivery versus payment basis.**

8.4 Lapse of Rights

8.4.1 The Rights of Qualifying Certificated Shareholders and dematerialised shareholders with own-name registration who fail to instruct the Transfer Secretaries as to what action they intend to take or fail to comply with the procedures set out in this section, within the timelines stipulated, will lapse and such Qualifying Shareholders will not be entitled to any payment under the terms of the Rights Offer.

8.4.2 Qualifying Dematerialised Shareholders other than with own-name registration who do not subscribe for their Rights risk their Rights lapsing if they fail to act in terms of the instructions received from their CSDP or broker. Should such Rights lapse, they will not be entitled to any payment under the terms of the Rights Offer.

8.4.3 None of, the Transfer Secretaries or any CSDP or broker appointed by them will be responsible for any loss or damage whatsoever suffered by such Qualifying Shareholders in relation to the lapsing of theirs.

8.5 Tax consequences of the Rights Offer

8.5.1 Shareholders are advised to consult their professional advisors regarding the tax implications of the Rights Offer.

8.6 Acceptance of Rights

8.6.1 The CSDP or broker appointed by Qualifying Dematerialised shareholders other than with own-name registration is obliged to contact such Shareholders to ascertain whether such Qualifying Dematerialised Shareholders wish to follow their Rights in terms of the Rights Offer and in respect of how many Rights Offer Shares.

8.6.2 **If you are not contacted by your CSDP or broker, you should contact your CSDP or broker and furnish them with your instruction. Should a CSDP or broker not obtain instructions from a Qualifying Dematerialised Shareholder other than with own-name registration, they are obliged to act in terms of the mandate granted to them by such Qualifying Dematerialised Shareholders, or if the mandate is silent in this regard, they are obliged not to accept the Rights on behalf of such Shareholders.**

PART B: LETTER TO SHAREHOLDERS (CONTINUED)

9 DOCUMENTS OF TITLE

- 9.1 New share certificates to be issued to Qualifying Certificated Shareholders in respect of those Rights Offer Shares to which they were entitled, and for which they have subscribed, will be posted to persons entitled thereto, by registered post, at the risk of the Shareholders concerned, on or about 18 September 2023. Such Certificated Shares are not good for delivery in respect of trades concluded on the ZSE until they have been dematerialised.
- 9.2 Qualifying Dematerialised Shareholders will have their accounts at their CSDP or broker updated with the Rights Offer Shares to which they were entitled and for which they have subscribed on 18 September 2023.

10 CONDITIONS PRECEDENT

The rights offer is subject to:

- 10.1 Approval by shareholders of the resolutions at the EGM to be held on 7 August 2023 in terms of the EGM notice incorporated herein;
- 10.2 The underwriting agreement entered between TN Asset Management (Pvt) Limited and Econet remaining in full force and effect;
- 10.3 Approval of the Reserve Bank of Zimbabwe for both Resident and Non-Resident Shareholders of the Company to only follow their rights in Debentures or in United States dollars; and
- 10.4 The approval of the Reserve Bank of Zimbabwe for Econet's shareholders holding debentures that are classified as non-resident to use them as currency to acquire rights offer shares with a non-resident classification and for proceeds of the rights offer to be paid to external debenture holders.

11 EXTRAORDINARY GENERAL MEETING

- 11.1 The rights offer is conditional upon approval at the EGM by a majority representing more than 50% of the members present in person or by proxy.
- 11.2 Set out in Annexure IV of this circular is the notice convening the EGM containing the detailed resolutions proposed to be passed by the meeting. Shareholders will be asked to connect and attend virtually via the link: <https://econet.escrowagm.com/>, at 14:30 hrs on 7 August 2023.
- 11.3 All holders of Ordinary shares will be entitled to attend and vote at the EGM.
- 11.4 A holder of Ordinary shares who is present in person, by authorised representative or by proxy shall have one vote on show of hands and on a poll, one vote for every share held or represented by him/her.
- 11.5 Each Econet shareholder entitled to attend and vote at the EGM is entitled to appoint one or more proxies none of whom need be shareholders of Econet, to attend and vote in his/her/its stead. Please complete and return the proxy form in accordance with instructions printed thereon as soon as possible, but in any event so as to be received no later than 14:30 hours on 4 August 2023. The return of proxy form does not preclude shareholders from attending the meeting and voting in person.

PART B: LETTER TO SHAREHOLDERS (CONTINUED)

12 ZSE LISTINGS

- 12.1 The listings Committee of the ZSE has granted a primary listing for, and permission to deal in, all renounceable letters of allocation (Nil paid) relating to the new Rights offer shares between 21 August 2023 and 6 September 2023.
- 12.2 The ZSE listings committee has approved the listing of 401,586,371 Rights Offer Shares with effect from the commencement of trade on 7 September 2023.
- 12.3 Persons becoming shareholders as a result of the Rights Offer will be placed on the Company's share register. The transfer secretaries in respect of the rights offer are First Transfer Secretaries, whose details are set out in the "Corporate information" section at the beginning of the circular.

13 EXCHANGE CONTROL REGULATIONS

- 13.1 An Exchange Control application has been made on on behalf of Non-Resident Econet shareholders for them to follow their rights, provided that they pay for the shares using foreign currency that is paid into the country and into the Nostro account referred to in paragraph 8.3 of this chairman's letter using normal banking channels. Alternatively, to use EWZL Debentures that are classified as non-resident. The Exchange control approval was still pending as at the last practicable date of this circular.
- 13.2 Shareholders in any doubt about their exchange control status with respect to the Rights Offer are advised to consult their advisors.

14 ZIMBABWEAN LAW

- 14.1 No Shareholder should construe the contents of this Circular and the documentation accompanying it as a representation of its legality or otherwise under any laws other than the Laws of Zimbabwe. Each Shareholder should make its own enquiries and consult its own professional advisors as to the contents of this Circular and the documentation accompanying it regarding the acceptance of their Rights in terms of the Rights Offer.
- 14.2 All transactions arising from the provisions of this Circular and the documentation accompanying it will be governed by and be subject to the laws of Zimbabwe.

15 JURISDICTION

- 15.1 The distribution of this Circular and/or accompanying documents and/or the Rights to subscribe for Rights Offer Shares in jurisdictions other than Zimbabwe may be restricted by law and failure to comply with any of those restrictions may constitute a violation of the laws of any such jurisdiction in which it is illegal to make such a Rights Offer. In such circumstances, this Circular and the Form of Instruction are sent for information purposes only.

16 DESCRIPTION OF BUSINESS

The description of business of the company is set out in part C of this document.

PART B: LETTER TO SHAREHOLDERS (CONTINUED)

17 INFORMATION RELATING TO DIRECTORS

17.1 Details of Directors

There will be no variation in the Directors' details (i.e. business address and function) as a consequence of the Rights Offer.

17.2 Directors' remunerations and emoluments

There will be no variation in the remuneration payable to Directors as a consequence of the Rights Offer.

17.3 Existing and former directors' interests in Shares

As at the Last Practicable Date, the direct and indirect beneficial interests of Directors and their associates (as well as directors that have resigned in the 18 months preceding the Last Practicable Date) in the issued share capital of Econet, were as follows

Name of Director	Direct Interest	Indirect Interest	Total
Dr James Myers (Chairman)	40 079	nil	40 079
Mr Hardy Pemhiwa	nil	nil	nil
Mr Martin Edge	nil	nil	nil
Mr Godfrey Gomwe	nil	nil	nil
Ms Beatrice Mtetwa	nil	nil	nil
Dr Jacqueline Chimhanzi	nil	nil	nil
Mr Mgqibelo Gasela	nil	nil	nil
Ms Elizabeth Masiyiwa	nil	nil	nil
Ms Thoko Moyo	nil	nil	nil
Dr Douglas Mboweni	12,768,126	nil	12 768 126
Mr Roy Chimanikire	8,250,000	nil	8,250,000
Mr Chengeto Moyo	nil	nil	nil

17.4 Existing directors' intention to take up Rights Offer Shares

The Directors have indicated that they intend to take up Rights Offer Shares pursuant to the Rights Offer such that the Directors will receive Rights Offer Shares as follows in respect of their direct and indirect beneficial interests in Econet Shares.

Name of Director	Rights Offer Shares
Dr James Myers (Chairman)	100%
Mr Hardy Pemhiwa	nil
Mr Martin Edge	nil
Mr Godfrey Gomwe	nil
Ms Beatrice Mtetwa	nil
Dr Jacqueline Chimhanzi	nil
Mr Mgqibelo Gasela	nil
Ms Elizabeth Masiyiwa	nil
Ms Thoko Moyo	nil
Dr Douglas Mboweni	100%
Mr Roy Chimanikire	100%
Mr Chengeto Moyo	nil

PART B: LETTER TO SHAREHOLDERS (CONTINUED)

18 SHAREHOLDERS

18.1 The Company currently has 11,985 Shareholders and as at 20 July 2023, being the last practicable date before the publication of the Circular, the following were the top ten shareholders in the Company.

Rank	Account Name	Ordinary shares	% of Shares
1	Econet Global Limited	995,384,301	38.42%
2	Stanbic Nominees P/L	334,111,536	12.90%
3	Stanbic nominees P/L (NNR)	250,950,164	9.69%
4	TN Asset Management Nominees	205,763,911	7.94%
5	Econet Wireless Zimbabwe SPV Limited,	129,528,841	5.00%
6	Old Mutual Life Assurance Company of Zimbabwe Limited	120,262,309	4.64%
7	New Arx Trust (NNR)	92,799,146	3.58%
8	Austin Eco Holdings Limited - NNR	53,923,476	2.08%
9	Standard Chartered Nominees P/L	29,270,836	1.13%
10	Northunderland Investments P/L	24,255,090	0.94%
	Other	354,327,222	13.68%
	*TOTAL NUMBER OF SHARES IN CONSOLIDATED REGISTER	2,590,576,832	100.00%

**Inclusive of treasury shares.*

18.2 Shareholders holding approximately 50% of the Company's issued share capital have indicated their support for the Rights Offer.

18.3 In the event that Shareholders approve the proposed Rights Offer at the EGM and assuming all shareholders follow their rights, there will be no change in the shareholding structure of the Company. The Rights Offer ratio is 17.122 new Ordinary Shares for every 100 shares held. Consequently, if all the shareholders elect not to follow their rights, their percentage shareholding in the Company will be diluted by 10%. The Underwriters shall take up shares not subscribed for by the existing shareholders or not renounced in favour of another party to the Rights Offer. Annexure II of this Circular contains an illustrative table of entitlements for Econet Shareholders with respect to the Rights Offer.

19 FINANCIAL EFFECTS OF THE RIGHTS OFFER

19.1 Historical inflation adjusted financial information for the three financial years ended 28 February 2023 together with the Report of the Independent Auditors and Reporting Accountants on the Historical Financial Statements is set out in Part E of this circular.

19.2 The table below illustrates the financial effects of the proposed rights offer on the audited consolidated annual financial statements of Econet for the year ended 28 February 2023. The pro forma financial statements have been prepared for illustrative purposes only and because of their pro forma nature, they may not fairly present Econet's financial position, changes in equity, results of operations or cash flows, nor the effect and impact of the proposed rights offer going forward.

PART B: LETTER TO SHAREHOLDERS (CONTINUED)

19 FINANCIAL EFFECTS OF THE RIGHTS OFFER (CONTINUED)

19.3 The directors of Econet are responsible for the compilation, contents and preparation of the pro forma financial statements. Their responsibility includes determining that the pro forma financial statements have been properly compiled on the basis stated, which is consistent with the accounting policies of Econet and that the pro forma adjustments are appropriate for purposes of the pro forma financial information disclosed pursuant to the ZSE Listings Requirements. The Proforma financial information is set out below.

(All figures in ZWL millions)	Audited 28 February 2023	Effect of proposed rights offer 28 February 2023	Proforma statement of financial 28 February 2023
Property, plant and equipment	317,478	-	317,478
Intangible assets and goodwill	16,524	-	16,524
Other non-current assets	47,330	-	47,330
Financial assets at fair value through CI	152,848	-	152,848
Financial assets at amortised cost	4,056	-	4,056
Current assets	170,786	-	170,786
Total assets	709,022	-	709,022
EQUITY AND LIABILITIES			
EQUITY			
Share capital and share premium	21,804	26,958	48,762
Retained earnings	107,650	(1,887)	105,763
Other reserves	307,360	-	307,360
Attributable to equity holders of the parent	436,814	25,071	461,885
Non-controlling interests	(15)	-	(15)
Total equity	436,799	25,071	461,870
LIABILITIES			
Deferred taxation	58,707	-	58,707
Other non-current liabilities	27,407	-	27,407
Long-term interest-bearing debt	3,071	-	3,071
Short-term interest-bearing debt	66,128	(25,071)	41,057
Other current liabilities	116,910	-	116,910
Total liabilities	272,223	(25,071)	247,152
Total equity and liabilities	709,022	-	709,022
Net asset value			
Net asset value (incl. intangible assets)	436,799	-	461,870
Net asset value (excl. intangible assets)	420,275	-	445,341
Net asset per share (incl. intangible assets) (ZWL)	168.61	-	162.29

Report of the independent auditors and reporting accountants on the proforma financial information is set out in Part F of this document.

PART B: LETTER TO SHAREHOLDERS (CONTINUED)

20 CAPITAL

20.1 Share Capital

The authorised and issued Share capital of Econet before and after the Rights Offer, as at the Last Practicable Date, is as follows:

Description	Before Rights Offer		Rights Offer		After Rights Offer	
	Number	ZWL	Number	ZWL	Number	ZWL
Authorised share capital						
Ordinary shares of ZWL 0.001 each	3,000,000,000	3,000,000	-	-	3,000,000,000	3,000,000
Issued share capital						
Ordinary shares of ZWL 0.001 each	2,590,576,832	2,590,577	401,586,371	401,586	2,992,163,203	2,992,163
Authorised but unissued shares						
Ordinary shares of ZWL 0.001 each	409,423,168	409,423	(401,586,371)	(401,586.37)	7,836,797	7,837

Inclusive of treasury shares

As at the Last Practicable Date all Shares in issue were and will be fully paid up and freely transferable; and all Shares in issue ranked and will rank *pari passu* with each other in all respects.

20.2 Authorised but unissued share capital

The authorised but unissued share capital of the Company is under the control of the Directors.

20.3 Shares issued

Neither the Company, nor any of its Subsidiaries have issued any shares within the three years preceding this circular.

20.4 Share repurchases

The Company's share repurchases within the three years immediately preceding this circular are set out below:

	2021	2022	2023
Number of shares	53,700,220	36,331,496	42,901,501
Value ZWL '000 - (Historical cost)	773,314	4,529,463	7,976,689
Value ZWL '000 - (Inflation adjusted to FY 23)	4,170,646	15,467,433	8,628,992

A total of 245,144,838 treasury shares are under the control of directors. These Treasury shares are excluded from participating shares.

20.5 Options and preferential rights in respect of Shares

There is no contract or arrangement, either actual or proposed, whereby any option or preferential right of any kind has been or will be given to any person to subscribe for any Shares in the Company or any shares in any of the Company's Subsidiaries.

20.6 Working Capital and Cash Flow

The Directors believe that the available working capital is enough to cover the cash flow requirements of the Company.

PART B: LETTER TO SHAREHOLDERS (CONTINUED)

21 MAJOR AND CONTROLLING SHAREHOLDERS

- 21.1 As far as the Directors are aware, as at the Last Practicable Date, the shareholders of the company who were the direct or indirect beneficial owners of 5% or more of the Shares in issue are shown in section 18 of the Chairman's letter.
- 21.2 The Board is not aware of any pre-existing intention of any major Shareholder to dispose of a material number of their Shares at or immediately after the implementation of the rights offer proposed herein.

22 PRICE AND VOLUME HISTORY OF ECONET SHARES ON THE ZSE

The Share price and volume history of Econet Shares in the 12 months preceding the date of issue of the Circular and the 30 days preceding the Last Practicable Date, are set out in Annexure I.

23 LITIGATION STATEMENT

The Company is not aware of any legal or arbitration proceedings, including any proceedings that are pending or threatened, that may have or have had in the recent past, being the previous 12 months, a material effect on the financial position of the Group.

24 EXPENSES OF THE RIGHTS OFFER

The following expenses and provisions are expected or have been provided for by the Group in connection with the Rights Offer and will be settled out of the proceeds of the Rights Offer. All costs are stated exclusive of VAT:

Name	Role	Econet(US\$)
TN Financial Services (Private) Limited	Lead Financial Advisor	750,000.00
Bethel Equities	Stockbrokers	10,000.00
James Andrewes & Associates	Independent Financial Advisor	40,000.00
Steward Bank	Exchange Control Advisor	25,000.00
First Transfer Secretaries	Transfer Secretaries	81,637.19
First Transfer Secretaries	Printing Share Certificate Plus Printing, Packing, labelling and distribution of LAs	54,918.35
Mtetwa and Nyambirai	Legal Advisor	35,000.00
BDO Zimbabwe	Reporting Accountants	250,000.00
TN Asset Management at a rate of 2.5%	Underwriter	260,000.00
Nextpage Concepts (Private) Limited	Printing and Distribution of circular + publishing in the Herald, Chronicle, Daily News, News Day	60,000.00
Regulators	ZSE and Seczim	50,000.00
Total		1,616,555.54

25 CONSENTS

The Lead Financial Advisors, Sponsoring Brokers, Independent Financial Advisors, Exchange Control Advisors, Transfer Secretaries, Legal Advisor, Reporting Accountants, and the Underwriter to the Rights Offer have consented in writing, and have not withdrawn their consent, to their names being included in this Circular in the form and context in which they are included.

PART B: LETTER TO SHAREHOLDERS (CONTINUED)

26 RELATED PARTY DISCLOSURES

- 26.1 Beatrice Mtetwa, a non-Executive Director for the Company is one of the founding partners of Mtetwa and Nyambirai legal practitioners a firm that has been retained as the legal Advisor to the proposed rights offer.

27 DIRECTORS' RESPONSIBILITY STATEMENT

- 27.1 The directors responsibility statement is set out in Part G of this Circular.

28 DOCUMENTS AND CONSENTS AVAILABLE FOR INSPECTION

The following documents, or copies thereof, will be available for inspection during normal business hours at the registered office of Econet, or can be requested via email from 2 August 2023, up to and including 18 August 2023.

- 28.1 the Memorandum of Incorporation of Econet and its major subsidiaries;
- 28.2 the Group audited financial statements for the years ended Feb 2021, Feb 2022 and Feb 2023;
- 28.3 the Underwriting Agreement;
- 28.4 this Circular, signed by or on behalf of the Directors and the Form of Instruction; and
- 28.5 the letters of consent referred to in paragraph 25 of Part B of this Circular.

Signed on behalf of the Econet Wireless Zimbabwe Limited Board

(Signed on original)

Dr J Myers
Chairman of the Board

PART C: INFORMATION ON ECONET

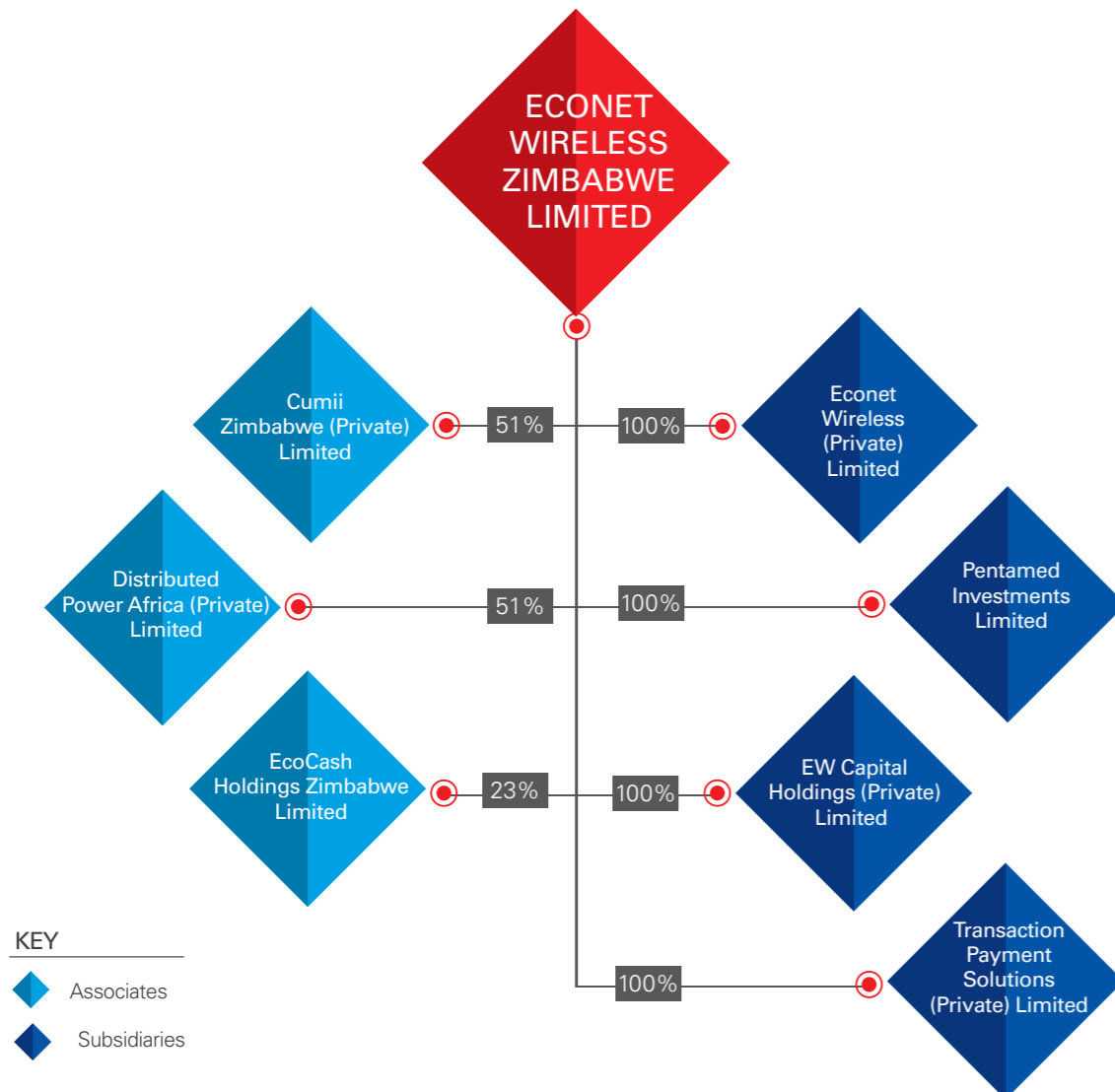
1 HISTORY

1.1 Econet is Zimbabwe’s largest provider of telecommunications and digital technology services. Econet launched its network on 10 July 1998 and listed on 17 September 1998. It is one of the largest companies on the Zimbabwe Stock Exchange in terms of market capitalisation. The Company has over 14.9 million subscribers and continues to upgrade its network and platforms to carry more subscribers, and further widen its geographical coverage, which is already the most extensive in Zimbabwe.

1.2 In tandem with its pioneering values, the network became the first operator in Zimbabwe to launch data services under 3G technology in 2009. Econet has since then built an extensive fibre optic network, and rolled out other key network infrastructure which includes 3 switches. The company was the 1st operator to launch 4G and 5G services in the country. Econet continues to develop world class digital platforms to enable the fulfillment of its vision for a digitally connected future that leaves no Zimbabwean behind.

2 CORPORATE STRUCTURE

2.1 The following is the Company’s Corporate Structure;



PART C: INFORMATION ON ECONET (CONTINUED)

3 OVERVIEW OF THE COMPANY’S OPERATING SUBSIDIARIES AND ASSOCIATES

3.1 Econet Wireless Zimbabwe is a Mobile Network Operator (MNO) with over 14.9 million customers and over 70% market share of mobile internet and data traffic in the country. During its 25-year operating history, Econet Wireless has transformed from a Communications Services provider to the leading Digital Services provider in Zimbabwe, with products and services spanning the Telecommunication and Technology spaces. Recently, Econet Wireless contributed to the technological and economic development of the country by launching the country’s first high-speed Fifth Generation (5G) mobile broadband technology, moving the domestic market in line with global trends. The Company’s digitalisation journey continues with a focus on artificial intelligence, big data analytics, machine learning, among other areas of digital transformation.

3.2 EcoCash Holdings Zimbabwe is a diversified technology group that leverages digital solutions to make a social and economic impact on the lives of all Zimbabweans. The business portfolio consists of assets in FinTech, InsurTech, On-Demand Services, e-Commerce, AgriTech, HealthTech and EduTech. EcoCash is an award-winning financial inclusion mobile payment solution that allows customers to perform simple financial transactions from mobile devices. EcoSure is a micro-insurance product that provides affordable and innovative insurance solutions directly from your mobile phone. Steward bank offers digital banking solutions that give access to the full suite of banking services via their mobile devices. EcoCash Holdings leverages on Zimbabwe’s high mobile telecommunications penetration rate and the Company’s robust digital platforms to deliver life-changing and impactful solutions.

3.3 EW Capital Holdings (Private) is an investment vehicle through which the Group holds a variety of investments carefully selected with the twin objectives of growing earnings and preserving value for shareholders.

3.4 Liquid Intelligent Technologies is the leading provider of fibre optic infrastructure in Zimbabwe. Liquid provides the group with transmission and backhaul infrastructure.

3.5 Transaction Payment Solutions is a leading provider of financial transactions, switching, point-of-sale and overlay services that benefit from the convergence of banking, information technology and telecommunications. The Company provides local and international financial institutions and telecommunications operators access to cutting-edge technology to enhance customer service, in partnership with one of the world’s leading manufacturers of smart card-based point-of-sale systems.

4 PROSPECTS OF THE COMPANY

4.1 The company’s commitment to the fulfilment of the vision of ensuring a digitally connected future that leaves no Zimbabwean behind remains. As such the journey to full digital transformation continues to gather momentum with key focus on customer experience and delivering value. The business remains focused on its key imperatives thereby driving digital inclusivity and adoption of new ways of doing business through enabling technology.

4.2 The telecommunications business remains the anchor of the digital business and as such to set the platform, the company is leading with the modernisation of the core network platform into one that is virtualised which will allow for efficient allocation of resources. Under the modernisation of the Radio Network platforms, majority of the areas will access improved 4G/LTE which will improve customer experience particularly around data usage. Building from this, there is a continued drive to grow Value Added Services Business for example gaming, music and entertainment. A modernised network will enable a better product offering to subscribers and will also strengthen the base for expansion of 5G.

4.3 In tandem is the modernization of the current know-your-client (KYC) system which is also underway in line with the DSP strategy. This will include biometric detection as well as digital identification, leading to better protection for our customers against growing cyber-security risks. The aim is to improve the customer experience’s across all service lines on offer.

PART C: INFORMATION ON ECONET (CONTINUED)

4 PROSPECTS OF THE COMPANY (CONTINUED)

4.4 Business Process Outsourcing: Under the drive to be the leading Business Process Outsourcing company of choice, through OmniContact, the business offers a robust, dynamic and low cost call centre providing service solutions to customers locally and around the globe. The commitment to exhibit operational excellence continues and this is being translated into revenue growth, profitability as well as an enhanced experience for our clients' customers. In addition to inbound and outbound call centre services, Digital Customer Management solutions are offered through which key insights into customer trends and behaviour are provided. With a capacity of over 3,000 agents, we are primed to continue delivering optimal value to our clients. Customers are from all over the globe with presence in the US and UK markets, spread across various industry sectors including telecoms, energy, agriculture, health and Church organisations.

4.5 Enterprise Business Solutions: In line with the journey to reposition the communications business to a digital services business, focus will also be on deploying new network technology and enhancing the digital lives for enterprises, SMEs, the government and our business-toconsumer (B2C). A growth strategy buttressed by increased investment distribution channels continues to be pursued.

5 MANAGEMENT OF THE COMPANY

5.1 The Company is governed by the Board, which is responsible for ensuring that the Company complies with all its statutory and regulatory obligations, as specified in the Companies Act, the Memorandum & Articles of Association ("M&A"), and the ZSE Listings Requirements.

5.2 The names, ages, qualifications, nationalities, businesses address, and occupation of the company's senior management are set out below.

Name	Age	Qualification	Nationality	Address	Title
Douglas Mboweni	58	<ul style="list-style-type: none"> Doctor of Philosophy – PHD, Business leadership Masters in Business Leadership (UNISA) BSc Math's and Computer Science - University of Zimbabwe 	Zimbabwean	Econet Park #2 Old Mutare Road, Msasa, HARARE	Chief Executive Officer
Roy Chimanikire	45	<ul style="list-style-type: none"> Chartered Accountant (Zimbabwe) Chartered Accountant (South Africa) Hons B.Compt Accounting Science - (UNISA) 	Zimbabwean	Econet Park #2 Old Mutare Road, Msasa, HARARE	Deputy Chief Executive Officer
Kezito Makuni	55	<ul style="list-style-type: none"> MBA, General Business Management - University of Zimbabwe BSc. (Hons) Engineering, Electrical and Electronic - University of Zimbabwe 	Zimbabwean	Econet Park #2 Old Mutare Road, Msasa, HARARE	Chief Operating Officer
Chengeto Moyo	57	<ul style="list-style-type: none"> Chartered Accountant (Zimbabwe) Masters in Business Leadership - (UNISA) BAcc (Honours) - University of Zimbabwe 	Zimbabwean	Econet Park #2 Old Mutare Road, Msasa, HARARE	Finance Director
Rossewearer Usayi	41	<ul style="list-style-type: none"> Chartered OD Practitioner (CHOD®) Certified Global Compensation Professional (CGCP®) MSc. Business & Organisational Psychology - University of Liverpool BSc. Honours Psychology - University of Zimbabwe 	Zimbabwean	Econet Park #2 Old Mutare Road, Msasa, HARARE	Chief Human Resources Officer

PART C: INFORMATION ON ECONET (CONTINUED)

None of the above managers:

- have been declared bankrupt, insolvent or have entered into any individual voluntary compromise arrangements;
- have been directors with an executive function of any company put under, or proposed to be put under, any receiverships, compulsory liquidations, creditors, voluntary liquidations, administration, company voluntary arrangements or any composition or arrangement with its creditors generally or any class at the time of such event or within the 12 months preceding any such event;
- have been partners in a partnership that was the subject of any compulsory liquidation, administration or partnership voluntary arrangement, at the time of such event or within the 12 months preceding any such event;
- have entered into any receiverships of any asset(s) or of a partnership where such directors are or were partners during the preceding 12 months;
- have been publicly criticised by a statutory or regulatory authority, including recognised professional bodies, or been disqualified by a court from acting as a director of a company or from acting in the management or conduct of the affairs of any company;
- have been involved in any offence of dishonesty; or
- have been removed from an office of trust, on the grounds of misconduct, involving dishonesty

5.3 No part of the business is managed, or is proposed to be managed, by a third party under a contract or arrangement.

5.4 Senior Management Profiles

Douglas Mboweni (PHD) – Chief Executive Officer

Dr Mboweni is the Chief Executive Officer of Econet Wireless Zimbabwe Limited. He has been with the Group since 1996 and was appointed to the board in December 2003. He is a professor of practice with the University of Johannesburg.

Roy Chimanikire – Deputy Chief Executive Officer

Roy joined the group in 2009 from Deloitte & Touche, where he was a Partner. He is a qualified Chartered Accountant (Zimbabwe) and past President of the Institute of Chartered Accountants of Zimbabwe. Roy was appointed to the Board in February 2016 as the Group's Finance Director and in 2020 he was appointed as the Deputy Chief Executive Officer.

Kezito Makuni – Chief Operating Officer

Kezito joined Econet Wireless in 2009 and is currently the Chief Operating Officer, since 2019. He is a widely experienced businessman having worked in several countries in Africa and in roles spanning network design, project implementation, operation and maintenance, business startup, process re-engineering and sales for a fixed network operator as well as a major telecoms equipment vendor. He is an Engineer by profession and a Fellow of the Zimbabwe Institution of Engineers.

Chengeto Moyo – Finance Director

Chengeto joined the Econet Group on 1 November 2008 as Chief Finance Officer focusing on operational excellence. He is a seasoned and experienced financial practitioner who has worked in mining, financial services, tourism and FMCG sectors, prior to joining telecommunications industry. He has operated at an Executive level in strategic planning and has been instrumental in remodeling businesses into profit making through cost optimisation programs.

Rossewearer Usayi – Chief Human Resources Officer

Rossewearer joined Econet Wireless in June 2020 as the Chief HR Officer. Her career spans 20 years having started off with Unilever where she spent 10 years rising to Regional Level spanning across the East & Southern African Region and then later Joined National Foods Ltd where she was an HR Director before joining Econet Wireless as CHRO in July 2020. Rossewearer is a Chartered OD Practitioner (CHOD®) as well a Certified Global Compensation Professional (CGCP®) who holds an MSc in Organizational and Business Psychology from the University of Liverpool, and a BSc Honors Degree in Psychology from the University of Zimbabwe, amongst numerous other trainings and professional certifications.

PART C: INFORMATION ON ECONET (CONTINUED)

6 DIRECTORS

6.1 Composition of the board

6.1.1 The primary duties of the Directors to the Company include fiduciary duties and duties of care and skill. The Board is the highest policy organ of the Company and acts to direct strategy. The Board meets regularly, with a minimum of four scheduled meetings annually, to receive key information pertaining to the operations of EWZL.

6.1.2 Article 68 of the Company's Articles of Association sets the maximum number of directors at twelve (12) and the minimum at four (4).

6.1.3 The full names, ages, designations, nationalities, business addresses, occupation and dates of appointment of the directors of EWZL are set out below:

Name	Designation	Age	Qualification	Nationality	Occupation	Date of appointment
James Myers (Chairman)	Board Chairman	82	<ul style="list-style-type: none"> PhD in Industrial Engineering from Texas Tech MSc Mathematical Physics from the University of Arizona A 1962 graduate of Texas A&M University in Mathematics 	American	Engineer	May 2009
Hardy Pemhiwa	Non-Executive Director	54	<ul style="list-style-type: none"> MBA – Edinburg Business School B.Eng - Queen Mary College, University of London 	Zimbabwean	Investment Banker	November 2016
Douglas Mboweni	Executive Director	58	<ul style="list-style-type: none"> Doctor of Philosophy – PHD, Business leadership Masters in Business Leadership (UNISA) BSc Math's and Computer Science - University of Zimbabwe 	Zimbabwean	Business Leadership	December 2003
Martin Edge	Non-Executive Director	64	<ul style="list-style-type: none"> Chartered Accountant (United Kingdom) Bachelor of Arts (BA), MA, PPE 	British	Chartered Accountant	June 2013
Roy Chimankire	Executive Director	45	<ul style="list-style-type: none"> Chartered Accountant (Zimbabwe) Chartered Accountant (South Africa) Hons B.Compt Accounting Science - (UNISA) 	Zimbabwean	Chartered Accountant	February 2016
Godfrey Gomwe	Non-Executive Director	67	<ul style="list-style-type: none"> Chartered Accountant (Zimbabwe) 	Zimbabwean Swazi	Chartered Accountant	May 2013
Beatrice Mtetwa	Non-Executive Director	64	<ul style="list-style-type: none"> Bachelor of Laws (Honours) Degree - University of Botswana and Swaziland Honorary Doctor of Laws degree - St Francis Xavier University (Canada) 	Swazi	Lawyer	October 2010
Jacqueline Chimhanzi	Non-Executive Director	49	<ul style="list-style-type: none"> PHD, Strategic Marketing – Cardiff University Masters in Business Administration – Cardiff University BSc (Hons) – Cardiff University Archbishop Desmond Tutu Leadership Programme – University of Oxford 	Zimbabwean	Strategist	November 2018

PART C: INFORMATION ON ECONET (CONTINUED)

Name	Designation	Age	Qualification	Nationality	Occupation	Date of appointment
Mgqibelo Gasela	Non-Executive Director	56	<ul style="list-style-type: none"> Postgraduate (Cert) Media Management - Graduate School of Business, University of Stellenbosch Postgraduate Diploma Telecommunication and Information Policy -University of South Africa. 	South African	Public Policy and Regulation Specialist	November 2018
Thoko Moyo	Non-Executive Director	50	<ul style="list-style-type: none"> Master of Public Administration – Harvard University Management, Leadership and Decision Sciences (Cert) – Harvard Kennedy School Leadership in Crisis – Harvard Kennedy School 	Zimbabwean	Global Communications Director	November 2018
Elizabeth Tanya Masiyiwa	Non-Executive Director	31	<ul style="list-style-type: none"> Executive MBA - Cambridge Judge Business School, Cambridge University. MSc Entrepreneurship - Hult International Business School BSc (Hons) Banking & International Finance - Bayes Business School 	Zimbabwean	Business Leadership	April 2022
Chengeto Moyo	Executive Director	57	<ul style="list-style-type: none"> Chartered Accountant (Zimbabwe) Masters in Business Leadership - (UNISA) BAcc (Honours) - University of Zimbabwe 	Zimbabwean	Chartered Accountant	February 2023

None of the Directors of the Company or the directors of the Major Subsidiaries:

- have been declared bankrupt, insolvent or have entered into any individual voluntary compromise arrangements;
- have been directors with an executive function of any company put under, or proposed to be put under, any receiverships, compulsory liquidations, creditors, voluntary liquidations, administration, company voluntary arrangements or any composition or arrangement with its creditors generally or any class at the time of such event or within the 12 months preceding any such event;
- have been partners in a partnership that was the subject of any compulsory liquidation, administration or partnership voluntary arrangement, at the time of such event or within the 12 months preceding any such event;
- have entered into any receiverships of any asset(s) or of a partnership where such directors are or were partners during the preceding 12 months;
- have been publicly criticised by a statutory or regulatory authority, including recognised professional bodies, or been disqualified by a court from acting as a director of a company or from acting in the management or conduct of the affairs of any company;
- have been involved in any offence of dishonesty; or
- have been removed from an office of trust, on the grounds of misconduct, involving dishonesty.

6.2 Profile of the Directors

James Myers (Chairman)

Jim is the Chairman of Econet Wireless Zimbabwe Limited. A 1962 graduate of Texas A&M University in Mathematics, he also holds a Masters in Mathematical Physics from the University of Arizona and a PhD in Industrial Engineering from Texas Tech. His professional career includes leading the international telecommunications practice with Ernst & Young and subsequently founding his own telecoms research company. He held senior management positions with AT&T as an Executive Vice President and President of Southwestern Bell International Development Africa. Jim has served as a director and President of the American Chamber of Commerce in Southern Africa and director of African Merchant Bank and MTN. Jim also serves on the board of York Timbers Holdings Limited, a JSE listed company, and on the International Board of Texas A & M University.

PART C: INFORMATION ON ECONET (CONTINUED)

6 DIRECTORS (CONTINUED)

6.2 Profile Of The Directors (continued)

James Myers (Chairman)

Jim is the Chairman of Econet Wireless Zimbabwe Limited. A 1962 graduate of Texas A&M University in Mathematics, he also holds a Masters in Mathematical Physics from the University of Arizona and a PhD in Industrial Engineering from Texas Tech. His professional career includes leading the international telecommunications practice with Ernst & Young and subsequently founding his own telecoms research company. He held senior management positions with AT&T as an Executive Vice President and President of Southwestern Bell International Development Africa. Jim has served as a director and President of the American Chamber of Commerce in Southern Africa and director of African Merchant Bank and MTN. Jim also serves on the board of York Timbers Holdings Limited, a JSE listed company, and on the International Board of Texas A & M University.

Hardy Pemhiwa

With over 25 years of senior executive experience across Africa, Hardy Pemhiwa is the Group CEO of the Econet Group and President & CEO of Cassava Technologies. Born in Zimbabwe, he holds a B.Eng (Computer Engineering) degree from University of London, Queen Mary College and an MBA (Finance) from Edinburgh Business School.

Douglas Mboweni (PHD)

Dr Mboweni is the Chief Executive Officer of Econet Wireless Zimbabwe Limited. He has been with the Group since 1996 and was appointed to the board in December 2003. He is a professor of practice with the University of Johannesburg.

Martin Edge

Mr Edge is a UK CA and an Oxford MA, who joined the board in June 2013. In his chosen field of corporate finance and M&A, he has been a corporate finance advisor to many institutions in Europe and Africa over some 30 years, as well as spending some time as a Chief Finance Officer. He has advised on some of the most important transactions in Africa's telecoms sector. Mr Edge chairs the board's Audit Committee.

Roy Chimankire

Roy joined the group in 2009 from Deloitte & Touche, where he was a Partner. He is a qualified Chartered Accountant (Zimbabwe) and past President of the Institute of Chartered Accountants of Zimbabwe. He was appointed to the board in February 2016 as the Group's Finance Director and in 2020 he was appointed as the Deputy Chief Executive Officer.

Godfrey Gomwe

Mr Gomwe was appointed to the board in May 2013. He is Chairman of the board's Risk Committee and he also serves as a member of the Audit Committee. He is a Chartered Accountant (Zimbabwe) and sits on a number of other boards. He has vast experience in the corporate world, having held various executive positions over the years.

Beatrice Mtetwa

A lawyer whose achievements in the legal field have earned her international recognition. Ms Mtetwa was appointed to the board in October 2010.

PART C: INFORMATION ON ECONET (CONTINUED)

Jacqueline Chimhanzi

Dr Jacqueline Chimhanzi is the CEO of the African Leadership Institute (AFI) which works with Oxford University to nurture a new generation of African leaders through its flagship Archbishop Tutu Leadership Programme. She was, previously, the Senior Strategist of the Industrial Development Corporation of South Africa (IDC). Before that, she was a Strategy Lead at Deloitte Consulting where she was instrumental in setting up the Deloitte Africa Desk and advised clients on accessing opportunities on the African continent. At the University of Wales, she lectured Marketing as well as Strategy and authored and co-authored papers in peer reviewed leading international academic journals. She is member of the board of the ONE Campaign and is an independent non-executive board member of the JSE listed ADvTECH Group – one of Africa's largest private education provider and sits on the Audit and Risk Committee and the Transformation, Social and Ethics Committee (TSEC). Jackie holds a BSc (Hons), MBA (with Distinction) and a PhD (Strategic Marketing), all from Cardiff University in the UK.

Mgqibelo Gasela

Mr Mgqibelo McDonald Gasela is an Independent Consultant and Public Policy and Regulation Specialist in the Information Communications and Technology (ICT) sector in Africa. He has previously worked as Group Head of Regulatory Affairs at the Econet Group responsible for media licence acquisition, compliance and regulatory affairs. Prior to that he spent over 15 years at MultiChoice Africa, leaving as Group Executive and Head of Regulatory Affairs in 2015. Mgqibelo had a stint as Director of Business Development and Strategy at Vula Communications Holdings, a minority shareholder in Mide TV, the then owners of e-tv and before that worked as Acting Head of the Monitoring and Complaints Department at the Independent Broadcasting Authority (IBA), the precursor to the Independent Communications Authority of South Africa (ICASA). Initially trained in the natural sciences, Mgqibelo holds a Postgraduate Certificate in Media Management from the Graduate School of Business of the University of Stellenbosch and a Postgraduate Diploma in Telecommunication and Information Policy from the University of South Africa.

Thoko Moyo

Thoko Moyo is a leadership and communications expert. She has advised C-suite executives in Africa, Europe and the US. Her corporate governance experience includes serving on the Boards of both listed and private companies, and as a trustee of global not-for-profit organizations. Her studies in governance include time at Harvard University's Corporate Responsibility Initiative where she explored the intersection of corporate responsibility, public policy, and international development. Thoko has undergraduate and post graduate degrees from Harvard University and the University of Zimbabwe.

Elizabeth Tanya Masiyiwa

Miss Masiyiwa is a senior executive, social entrepreneur, and philanthropist. She serves on a number of Boards including Higherlife Foundation where she is the Head of Design and Innovation and the Harvard University Leadership Council for the Centre of African Studies. She holds a BSc (Hons) degree in Banking and International Finance from Bayes Business School, City University London, a Master of Social Entrepreneurship from Hult International Business School and is currently completing the Executive MBA from Cambridge Judge Business School, Cambridge University. She has worked in various organizations, spearheading the investment and funding programs as well as the human capital development of those organisations. She currently holds a number of leadership positions in both local and international organisations.

Chengeto Moyo – Finance Director

Chengeto joined the Econet Group on 1 November 2008 as Chief Finance Officer focusing on operational excellence. He is a seasoned and experienced financial practitioner who has worked in mining, financial services, tourism and FMCG sectors, prior to joining telecommunications industry. He has operated at an Executive level in strategic planning and has been instrumental in remodeling businesses into profit making through cost optimisation programs.

PART D: INDEPENDENT ADVISOR'S REPORT



James Andrewes & Associates (Private) Limited
Financial & Management Consultants

P.O. Box : HG999, Highlands, Harare, Zimbabwe
+263 772 276 110
jamesmushore@gmail.com

The Directors
Econet Wireless Zimbabwe Limited
Econet Park
2 Old Mutare Road
Msasa
Harare

24 July 2023

Dear Directors

Independent Financial Advisor report on the Proposed Rights Issue by Econet Wireless Zimbabwe Limited ("Econet Wireless or EWZL") through a Rights Offer to members at a subscription price of US\$0.0755 per share.

Introduction

The Directors of Econet Wireless wish to raise US\$30,319,771 through a pro rata offer to members of the Company. The Board will offer shareholders of the Company shares at a subscription price of US\$0.0755 each.

Each shareholder of Econet Wireless will be entitled to subscribe for 17.122 new shares for every 100 shares held on 18 August 2023. If a shareholder decides not to follow their rights, the Rights Offer shall be renounceable in terms of ZSE listings requirements. The Rights offer is payable in full on acceptance in US dollars or in the form of EWZL debentures at the price of US\$ 0.06252 per debenture. Full details of the Proposed Rights Issue are contained in the Circular.

Scope

Econet Wireless is listed on the Zimbabwe Stock Exchange and the Proposed Transaction is required to be reviewed for fairness and reasonableness by an independent professional expert, in terms of Schedule 5 (Independent fairness opinions) of the ZSE Listings Requirements.

James Andrewes & Associates (Private) Limited ("James Andrewes") was appointed by the Board of Econet Wireless as the independent professional expert to provide the Board with its opinion as to whether the terms of the Proposed Transaction are fair and reasonable to the minority shareholders of Econet Wireless.

Our work and findings shall not in any way constitute recommendations regarding the completion of the Proposed Transaction.

Responsibility

The compliance with the ZSE Listings Requirements is the responsibility of the Econet Wireless Board. Our responsibility is to report on the terms and conditions of the Proposed transaction.

PART D: INDEPENDENT ADVISOR'S REPORT (CONTINUED)

Definition of Fairness and Reasonableness for the purposes of our opinion.

"Fairness" as defined in the Oxford English dictionary is the treatment of a group of people equally and justly or appropriately in the circumstances. Fairness is based primarily on quantitative factors. A transaction will generally be considered fair to a company's Shareholders if the benefits received by the Shareholders, as a result of the transaction, are equal to or greater than the value surrendered by the Shareholders. Therefore, the price would be considered fair to Shareholders if the Rights issue is offered to all shareholders on the same basis.

"Reasonableness" is the measurement of fairness or sensibility, as appropriate, as applied to a particular situation. Reasonableness is based primarily on qualitative factors. Hence, even though the quantifiable benefits received by Econet Wireless minority shareholders may be less than the value that they surrender, the entire proposed transaction may still be reasonable in certain circumstances after considering other significant qualitative factors.

Our approach in considering the Proposed Rights Issue

In considering the price and terms, we took into consideration:

- The rationale for the Rights Issue.
- Potential dilution effect on the Rights Issue.
- Prevailing economic and market conditions.
- The impact of various risks such as country and liquidity risks.
- Share price trends and discounts applied in the region and globally.
- Underwriting arrangements.
- Principal terms of the Rights Issue.
- The terms and conditions of relevant loan and guarantee arrangements.
- The acquittal of Econet Wireless's independent directors of their responsibilities to the shareholders; and
- General compliance with ZSE Independent Financial Advisor related Listing Requirements to changes in control and related party transactions.

Information utilised

During our analysis, we relied upon financial information, including prospective financial information obtained from Econet Wireless management, together with industry related and other information in the public domain. Our conclusion is dependent on such information being complete and accurate in all material respects.

The principal sources of information used in formulating our opinion regarding the terms and conditions of the offer include:

- The draft Circular to Shareholders dated 8 June 2023 with the terms and conditions of the offer.
- Representations and assumptions made available by, and discussions held with, the representatives of Econet Wireless management.
- The debenture trust deed.
- Econet Wireless audited results for the year ended 28 February 2022 and 28 February 2023.
- Discussions with the Lead advisors of Econet Wireless.
- Rights offer valuation report prepared by TN Financial Services (Private) Limited (the lead financial advisors).
- Share prices, market capitalisations and ZSE volumes from 1 June 2022 to 31 May 2023 as captured by Standard & Poor's CapitalIQ, and
- Various analysts' reports.

For the purposes of our opinion, we have, where practicable, corroborated the reasonableness of the information obtained through discussions with Econet Wireless management representatives.

We have relied upon, without independent verification, the accuracy and completeness of the information provided to us whether in writing or obtained in discussions, and we do not assume any responsibility or liability, therefore.

In addition, we have placed reliance upon the Directors' commercial assessment of the prospects of Econet Wireless after the rights issue as disclosed in the circular for the proposed Rights Offer.

We have further assumed that there are no other contingencies that could materially affect the value of Econet Wireless Zimbabwe Limited.

PART D: INDEPENDENT ADVISOR'S REPORT (CONTINUED)

Procedures performed

In arriving at our opinion, we have undertaken the following procedures in evaluating the fairness of the Price:

- Attended a meeting with Econet Wireless and all the advisors so as to understand the transaction and scope of our mandate,
- Attended meetings with the Lead Advisors in order to gain an understanding of the Proposed Rights Issue terms and conditions,
- Obtained an understanding of Econet Wireless through discussions with management representatives; an analysis of publicly available historical and forecast financial information; review of recent reports and/or comments by independent investment analysts and other market commentators,
- Considered whether (and what quantum of) liquidity and/or marketability discounts may be applicable to the Econet Wireless shares for the specifics of the Proposed Rights Issue,
- Considered the current macro-economic environment in which Econet Wireless operates, which is characterised by macro-economic instability in a hyper-inflationary environment,
- Considered the theoretical ex-rights price,
- Reviewed the terms and conditions relating to the Proposed Rights Issue as outlined in the Circular,
- Interviews with Econet Wireless legal advisors to verify the legal advice given on this Rights Issue,
- Considered other Capital raise options available to Econet Wireless,
- Considered any other/qualitative aspects which we believe are of importance, and
- Analysed the possible dilutive effect of the Proposed Rights Issue.

We did not carry out an independent valuation of Econet Wireless. We reviewed the computations carried out by the Lead Advisor and carried out corroborative computations. We note that valuations by their nature are subjective, and we have considered such subjective factors in our corroborative computations. Based on the results of the procedures listed above, we determined the fairness and reasonableness of the pricing of the Proposed Rights Issue as it concerns Shareholders. We believe that the above considerations justify the conclusion outlined below.

Principal factors and reasons considered

Rationale for the Rights issue

As stated in the Chairman's statement to Shareholders dated 24 July 2023, the Company does not have sufficient foreign currency resources to meet the maturity of its US\$28,283,372 share of the 904,778,710 remaining debentures issued in January 2017 with a maturity value of US\$56,566,743 due for redemption in August 2023. This equals US\$0.06252 per debenture. If the Proposed Rights Issue is not implemented, the Company will be faced with the risk of defaulting on its obligations to redeem the debentures which could trigger other creditors of the Company to call up debts due to them. To avoid defaulting on its obligation to redeem the debentures in foreign currency, the Company intends to raise foreign currency amounting to US\$30,319,771.

Payment option for Proposed Rights Issue

The capital raise in January 2017 included an issue of redeemable Debentures with a redemption value of US\$0.06252 per debenture. The debentures were mandatory for members who participated in that Rights offer. The current Proposed Rights Issue offers shareholders the option to pay in full upon acceptance with an option to pay in the form of Econet Wireless debentures at a price of US\$0.06252 per debenture.

There is no prejudice to shareholders not holding debentures as debenture holders are subscribing for rights issue shares instead of receiving cash at the same price as shareholders not holding debentures are subscribing for shares in the rights issue.

PART D: INDEPENDENT ADVISOR'S REPORT (CONTINUED)

Financing alternatives

We have been advised by Econet Wireless management that other financing alternatives were discussed but not considered to be in the best interests of the Company and its shareholders given the liquidity shortage in Zimbabwe as well as the cost of such finance.

Rights issue price discount

We considered amongst other things, the shortage of foreign currency lines of credit, the cost of debt, prevailing market conditions, recent share price trends and discounts applied and underwriting arrangements.

Our indicative computations considered factors such as:

- 30 day, 60 day and 90 day volume weighted average prices,
- Equity risk premium according to Damodaran,
- The financial position of the Econet Group,
- Liquidity challenges and the shortage of foreign currency in Zimbabwe, and
- Expected discounts on rights issues in other jurisdictions.

Using our indicative calculations, we have calculated discount levels of between 32% and 66% of volume weighted average prices. It is normal for rights issues to be carried out at a discount and we note from our analysis of discounts offered in recent rights issues in Zimbabwe and South Africa, that there has been a wide range in the level of discount.

The discount range is wide as the volatility of the Zimbabwean currency, which is the currency in which the shares are denominated. Under the circumstances, whilst the observable discount range is wide, we have taken the most recent information, prior to publication of the Circular to determine the most appropriate discount level. In our opinion the determined rights offer discount is reasonable.

Dilutive effect

Shareholders who take up their pro rata entitlement in full under the Rights Issue will not suffer any dilution to their interests in the Company. The new shares will rank pari passu with the existing ones.

Opinion

We have considered the terms of the Proposed Rights Issue and reviewed various scenarios. Based upon and subject to the conditions set out herein, we are of the opinion that the terms of the Proposed Rights Issue are fair and reasonable to Shareholders.

This opinion does not purport to cater for each individual shareholder's circumstances and/or risk profile, but rather that of the general body of Shareholders taken as a whole. Each shareholder's decision will be influenced by such shareholder's particular circumstances and accordingly, Shareholders should consult with an independent advisor if they are in any doubt as to the merits or otherwise of the Proposed Rights Issue.

Use of this opinion

This opinion is provided solely for the use of the Board and shareholders in connection with and for the purpose of their consideration of the Proposed Rights Issue.

This opinion does not purport to contain all the information required for an investment or disposal decision, and the content may not be relied upon by any third party.

This opinion shall not, in whole or in part, be disclosed, reproduced, disseminated, quoted, summarised, or referred to at any time, in any manner or for any purpose, save for inclusion in this circular, without the prior consent of James Andrewes & Associates.

PART D: INDEPENDENT ADVISOR'S REPORT (CONTINUED)

Limiting conditions

We have relied upon the accuracy of the information used by us in deriving our opinion albeit that, where practicable, we have corroborated the reasonableness of such information through, amongst other things, reference to work performed by independent third parties, historic precedent or our own knowledge and understanding. While our work has involved an analysis of the annual financial statements and other information provided to us, our engagement does not constitute, nor does it include, an audit conducted in accordance with generally accepted auditing standards. Consequently, such information cannot be relied upon to the same extent as that derived from audited financial statements for completed accounting periods. Accordingly, we assume no responsibility and make no representations with respect to the accuracy of any information provided to us in respect of Econet Wireless. We were not availed any forecast information relating to Econet Wireless.

The opinion expressed herein is necessarily based upon the information available to us, the financial, regulatory, securities market and other conditions and circumstances existing and disclosed to us at the date hereof. We have assumed that all conditions precedent in the Rights issue agreements, including any material regulatory and other approvals required in connection with the Proposed Rights Issue have been or will be fulfilled properly or obtained.

James Andrewes & Associates has based its opinion on economic, market and other conditions prevailing on or about 9 June 2023. It should be noted that subsequent events may inevitably affect this opinion and that James Andrewes & Associates is not under any obligation to update, revise or reaffirm its opinion should any such developments transpire.

Independence

We have been retained as an independent advisor to the independent directors and we will receive a fixed fee for the services provided in connection herewith, which fee is payable on delivery of this opinion. We confirm that other than an insignificant shareholding of 53,680 shares in Econet, we have no other interest, direct or indirect, beneficial, or non-beneficial, in Econet Wireless or in the success or failure of the Proposed Rights Offer which forms the subject matter hereof.

Yours Faithfully

For and on behalf of James Andrewes & Associates (Private) Limited

(Signed on original)

James Mushore

PART E: REPORT OF THE INDEPENDENT AUDITORS AND REPORTING ACCOUNTANTS ON THE HISTORICAL INFORMATION FOR THE YEAR ENDED 28 FEBRUARY 2023



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Kudenga House
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24 July 2023

The Directors
Econet Wireless Zimbabwe Limited
No 2 Old Mutual Road,
Msasa
Harare

Dear Messrs,

RE: REPORT OF THE INDEPENDENT REPORTING ACCOUNTANTS ON THE CONSOLIDATED AUDITED FINANCIAL INFORMATION FOR THE THREE YEARS UP TO 28 FEBRUARY 2023 AND THE CONSOLIDATED PRO FORMA FINANCIAL INFORMATION.

1. INTRODUCTION

At your request for the purpose of the terms and objectives of the engagement set out in our engagement letter dated 24th April 2023, issued in connection with the proposed transaction involving renounceable rights offer of shares in Econet Wireless Zimbabwe Limited ("EWZL", "Group"), we present our report for inclusion in the Circular to EZWL shareholders. This report has been prepared in compliance with the Zimbabwe Stock Exchange "ZSE" Listing Requirements.

2. REPORT ON CONSOLIDATED AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 28 FEBRUARY 2023.

BDO Zimbabwe Chartered Accountants were appointed auditors of EWZL effective 1 March 2022. We audited the financial statements of the Group for the year ended 28 February 2023.

Directors' responsibility for the financial statements

We audited the consolidated statement of financial position of EWZL as at 28 February 2023 and the related consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated cash flows for the year then ended. The Group's directors are responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards ("IFRS") and in the manner required by the Companies and Other Business Entities Act (Chapter 24:31).

Scope of audit

We conducted our audit in accordance with the International Standards on Auditing (ISAs). Our responsibility under those standards is to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

PART E: REPORT OF THE INDEPENDENT AUDITORS AND REPORTING ACCOUNTANTS ON THE HISTORICAL INFORMATION FOR THE YEAR ENDED 28 FEBRUARY 2023 (CONTINUED)

2. REPORT ON CONSOLIDATED AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 28 FEBRUARY 2023 (CONTINUED)

Audit opinion

Basis for a Qualified Opinion

Non-compliance with International Financial Reporting Standard (IFRS) 13: Fair value measurement - Valuation of Property & Equipment and Investment Property;

- i. The Group had property, plant and equipment ("assets") with a carrying amount of ZWL317 478 370 000 (2022: ZWL1 013 634 000). The assets were valued using the market approach by a professional independent valuer. The fair values were determined in United States dollars (USD) using USD denominated inputs and were translated to the functional and reporting currency using the official auction exchange rate as given by the Reserve Bank of Zimbabwe (RBZ). IFRS 13 paragraph 2 defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (exit price).

In the current environment, it is not likely that the ZWL price derived from translating the USD value at the RBZ auction exchange rate would be the price at which a ZWL denominated transaction would occur. Exchange rates in the alternative market where transactions are occurring are not documented, making it difficult for directors to use the alternative exchange rates for financial reporting purposes. We were therefore unable to obtain sufficient appropriate evidence to support the appropriateness of applying the closing ZWL/USD auction exchange rate in determining the ZWL fair value of property, plant and equipment, without any further adjustments to reflect how the economic conditions within the country as at that measurement date would impact the assumptions that market participants would use in pricing the items of property, plant and equipment in ZWL.

Accordingly, we were unable to determine whether adjustments to the carrying amounts of property, plant and equipment and revaluation reserve were appropriate in these circumstances.

ii. Valuation of unquoted shares

EWZL held a 7.3% shareholding in a company registered in Mauritius with a fair value of ZWL111 141 250 000 (2022: ZWL58 137 067 000). The valuation was performed in United States Dollars (USD) using USD denominated inputs. The Group translated the USD value to ZWL using the Reserve Bank of Zimbabwe auction exchange rate. In our view the translation may not give a reasonable indication of fair value as defined by International Financial Reporting Standard 13 'Fair Value Measurement' (IFRS 13). IFRS 13 paragraph 2 defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (exit price).

In the current environment, it is not likely that the ZWL price derived from translating the USD value at the Reserve Bank of Zimbabwe auction exchange rate would be the price at which a ZWL denominated transaction would occur. Exchange rates in the alternative market where transactions are occurring are not documented, making it difficult for directors to use the alternative exchange rates for financial reporting purposes. We were therefore unable to obtain sufficient appropriate evidence to support the appropriateness of applying the closing ZWL/USD auction exchange rate in determining the ZWL fair value of the unquoted shares, without any further adjustments to reflect how the economic conditions within the country as at that measurement date would impact the assumptions that market participants would use in pricing the unquoted shares in ZWL.

Accordingly, we were unable to determine whether adjustments to the carrying amounts of unquoted shares and revaluation surplus were appropriate in these circumstances.

PART E: REPORT OF THE INDEPENDENT AUDITORS AND REPORTING ACCOUNTANTS ON THE HISTORICAL INFORMATION FOR THE YEAR ENDED 28 FEBRUARY 2023 (CONTINUED)

3. PRIOR YEARS' AUDITED CONSOLIDATED FINANCIAL STATEMENTS AUDIT OPINIONS

3.1. Financial years ended 28 February 2022 and 28 February 2021

Deloitte & Touche Chartered Accountants ("Deloitte & Touche") ("auditors") were the auditors for EWZL for the years ended 28 February 2022 and 28 February 2021.

The Deloitte & Touche audit reports for the years ended 28 February 2022 ("FY22") and 28 February 2021 ("FY21") were issued with adverse and qualified opinions respectively.

Adverse opinion for the year ended 28 February 2022

In their opinion, because of the significance of the matters described in the Basis of Adverse Opinion paragraph below, the inflation adjusted consolidated financial statements did not present fairly, the inflation adjusted consolidated financial position of the Group as at 28 February 2022, and its inflation adjusted consolidated financial performance, and its inflation adjusted cash flows for the year then ended in accordance with IFRS reporting standards and in the manner required by the Companies and Other Business Entities Act (Chapter 24:31).

Basis of adverse opinion

Non-compliance with IFRS 13 "Fair Value Measurements" in the determination of the values of property, plant and equipment for the period ended 28 February 2022.

The Group engaged professional valuers to determine fair values of property, plant and equipment. The fair values were determined in USD, and subsequently translated to Zimbabwe Dollars ("ZWL") equivalent fair values using the closing ZWL/USD auction exchange rate as at 28 February 2022. Whereas the determined USD values were reflective of fair value in that currency, the conversion to ZWL, for purposes of reporting in the Group's functional currency, was not in compliance with International Financial Reporting Standard 13 'Fair Value Measurement' ("IFRS 13"). IFRS 13 defines fair value as the price that would be received to sell an asset in an orderly transaction between market participants at a measurement date.

The auditors were unable to obtain sufficient appropriate evidence to support the appropriateness of simply applying the closing ZWL/USD auction exchange rate in determining the ZWL fair value of property, plant and equipment, without any further adjustments to reflect how the economic conditions within the country as at that measurement date would impact the assumptions that market participants would use in pricing the items of property, plant and equipment in ZWL. Consequently, the auditors were unable to obtain sufficient evidence to support the appropriateness of the property, plant and equipment balances, as well as that of the revaluation reserve, movement in revaluation reserve, retained income and the related deferred tax impact in both the prior year and current year, and depreciation and monetary gain in the current year.

Measurement of the investment in associate – EcoCash Holdings Zimbabwe Limited

EWZL had a 21% investment in EcoCash Holdings Zimbabwe Limited ("EHZL") which was classified as an investment in associate and was accounted for using the equity method as at 28 February 2022. The audited financial statements for EHZL had not yet been published at the time and consequently the financial information related to EHZL included in the EWZL group financial statements was unaudited. The auditors were therefore unable to determine whether any additional adjustments would be required in respect of the recorded share of profit from associates recorded in the inflation adjusted company statement of profit or loss, the carrying amount of this investment disclosed in the inflation adjusted company statement of financial position and the selected financial information of the associate as disclosed in the appropriate note in the financial statements.

PART E: REPORT OF THE INDEPENDENT AUDITORS AND REPORTING ACCOUNTANTS ON THE HISTORICAL INFORMATION FOR THE YEAR ENDED 28 FEBRUARY 2023 (CONTINUED)

3. PRIOR YEARS' AUDITED CONSOLIDATED FINANCIAL STATEMENTS AUDIT OPINIONS (CONTINUED)

3.1. Financial years ended 28 February 2022 and 28 February 2021 (continued)

Measurement of the investment in associate – EcoCash Holdings Zimbabwe Limited (continued)

The financial statements of EHZZL included an adverse opinion in the 28 February 2021 financial year. The comparatives of share of profit and loss in the inflation adjusted consolidated statement of profit or loss, the carrying amount of this investment disclosed in the inflation adjusted company statement of financial position and the selected financial information of the associate as disclosed in the appropriate note in the financial statements were affected by the 28th February 2021 modified opinion.

The auditors' opinion on the inflation adjusted company financial statements was further modified because of the possible effects of these matters on the comparability of the 28th of February 2022 inflation adjusted company financial statements with that of the prior year.

3.2. Qualified opinion for the year ended 28 February 2021

In the auditors' opinion, except for the matters described in the Basis for Qualified Opinion below, the financial statements presented fairly, the financial position of the company as at 28 February 2021 in compliance with the recognition and measurements of international Financial Reporting Standards (IFRSs) as required by the companies and other entities Act.

Basis of qualified opinion

Non-compliance with IFRS 13 "Fair Value Measurements" in the determination of the values of property, plant and equipment for the period ended 28 February 2021.

The group performed a revaluation of property, plant and equipment as at 28 February 2021, valued at ZWL 60 million (2020: ZWL 54 million). The company engaged a professional valuer to determine fair values of property, plant and equipment. The fair values were determined in USD, and subsequently translated to Zimbabwe Dollars ("ZWL") equivalent fair values using the closing ZWL/USD auction exchange rate as at 28 February 2021. Whereas the determined USD values were reflective of fair value in that currency, the conversion to ZWL, for purposes of reporting in the Group's functional currency, was not in compliance with International Financial Reporting Standard 13 'Fair Value Measurement' ("IFRS 13"). IFRS 13 defines fair value as the price that would be received to sell an asset in an orderly transaction between market participants at a measurement date.

The auditors were unable to obtain sufficient appropriate evidence to support the appropriateness of simply applying the closing ZWL/USD auction exchange rate in determining the ZWL fair value of property, plant and equipment, without any further adjustments to reflect how the economic conditions within the country as at that measurement date would impact the assumptions that market participants would use in pricing the items of property, plant and equipment in ZWL. Consequently, the auditors were unable to obtain sufficient evidence to support the appropriateness of the property, plant and equipment balances, as well as that of the revaluation reserve, movement in revaluation reserve, retained income and the related deferred tax impact in both the prior year and current year, and depreciation and monetary gain in the current year.

Measurement of the investment in associate - Cassava Smartech Zimbabwe Limited

The company had a 20% (2020: 20%) investment in Cassava Smartech Zimbabwe Limited ("Cassava") which was classified as an investment in associate and was accounted for using the equity method as at 28 February 2021. The audited financial statements for Cassava had not yet been published at the time and consequently the financial information related to Cassava included in the Econet Wireless Zimbabwe Limited financial statement was unaudited.

PART E: REPORT OF THE INDEPENDENT AUDITORS AND REPORTING ACCOUNTANTS ON THE HISTORICAL INFORMATION FOR THE YEAR ENDED 28 FEBRUARY 2023 (CONTINUED)

The auditors were therefore unable to determine whether any additional adjustments would have been required in respect of the recorded share of profits and other comprehensive income from associate recorded in the inflation adjusted statement of profit or loss and other comprehensive income, the carrying amount of this investment disclosed in the inflation adjusted statement of financial position and the detailed financial information of Cassava included in the notes to the inflation adjusted financial statements.

Inappropriate application of International Accounting Standard 8 - Accounting Policies, Changes in Accounting Estimates and Errors (IAS 8) on comparative information - Impact of incorrect date of application of International Accounting Standard 29 - Financial Reporting in Hyperinflationary Economies (IAS 29) and depreciation.

As a result of the pronouncement by the Public Accountants and Auditors Board (PAAB), entities reporting in Zimbabwe were required to apply the requirements of IAS 29 with effect from 1 July 2019.

The Directors applied the requirements of IAS 29 from the date of change in functional currency adopted of 22 February 2019. However, in accordance with International Accounting Standard 21 - The Effects of Changes in Foreign Exchange Rates (IAS 21) the date of change in functional currency was determined to be 1 October 2018. Consequently, the changes in the general pricing power of the functional currency should have been applied from 1 October 2018. As disclosed in Note (IX) of the Financial Statements for the year ended 28 February 2021, as contained in the FY2021 Annual Report, EWZL did not comply with IAS 21, as the Directors elected to comply with Statutory Instrument 33 of 2019 ("SI 33/19"). IAS 29 was only applied from 22 February 2019, and not 1 October 2018, as required by IAS 21.

Management resolved to correct the inconsistencies arising due to the decision to apply the requirements of IAS 29 from 22 February 2019 as opposed to 1 October 2018 as would have been required to comply with IFRS as described above. The impact of this correction was only effected as a restatement of the opening equity in the 28 February 2021 statement of changes in equity, as fully explained in the notes to the financial statements for the year then ended. This was not in compliance with IFRS, IAS 8 – Accounting Policies, Changes in Accounting Estimates and Errors as the requirement would have required retrospective restatement. The auditors were not able to quantify the 29 February 2020 impact of this adjustment as the cumulative effects of non-compliance with IAS 21 and its consequent impact on IAS 29 could not be ascertained for the year ended 29 February 2020.

The 29 February 2020 audit report included a qualification on the depreciation of property due to the valuations of the assets completed in the 2019 financial year. These valuation matters remained unresolved and therefore affected the depreciation recorded in the comparatives.

The auditors' opinion on the 28 February 2021 inflation adjusted financial statement was therefore qualified because of the possible effects of these matters on the comparability of the 28 February 2021 inflation adjusted financial statement with that of 29 February 2020.

Yours faithfully,

(Signed on original)

**BDO Zimbabwe Chartered Accountants
Registered Public Auditor**

FINANCIAL INFORMATION

Below are extracts of EWZL's historical inflation adjusted financial information for the three financial years ended 28 February 2023. The financial information in this paragraph should be read in conjunction with PART E – Report of the Independent Auditors and Reporting Accountants on the Historical Financial Statements.

Consolidated Statement of Comprehensive Income

	INFLATION ADJUSTED			HISTORICAL COST		
	Audited 12 months ended 28/02/23	Audited 12 months ended 28/02/22	Audited 12 months ended 28/02/21 ** Restated	Unaudited 12 months ended 23/2/2023	Unaudited 12 months ended 28/02/22	Unaudited 12 months ended 28/02/21
(All figures in ZWL millions)						
Revenue	339,167	282,152	187,293	267,286	67,066	26,718
Other income	4,007	563	2,257	4,106	235	340
Share of (loss)/ profit of associate	(1,320)	220	(437)	200	309	(52)
Direct network and technology operating costs	(88,708)	(66,770)	(43,091)	(73,349)	(15,727)	(6,273)
Other network costs	(22,414)	(15,178)	(9,127)	(18,340)	(3,676)	(1,224)
Costs of handsets and other accessories	(10,100)	(7,241)	(4,041)	(7,529)	(1,572)	(476)
Marketing and sales expenses	(7,234)	(4,271)	(1,309)	(5,665)	(1,062)	(566)
Impairment of trade receivables	(6,004)	(2,191)	(3,057)	(5,055)	(535)	(526)
Staff costs	(37,298)	(24,794)	(12,293)	(29,199)	(6,005)	(1,597)
Other expenses	(32,861)	(15,496)	(20,635)	(27,791)	(3,897)	(2,582)
Profit before interest, taxation, depreciation, amortisation and impairment	137,235	146,993	95,560	104,664	35,136	13,763
Depreciation, amortisation and impairment of property, plant and equipment and intangibles	(59,983)	(47,982)	(46,510)	(49,725)	(8,617)	(2,281)
Other impairments	(1,266)	573	(10,288)	(1,266)	363	(1,862)
Exchange losses	(77,154)	(16,366)	(73,777)	(51,939)	(4,211)	(7,636)
Monetary adjustment	9,354	(12,029)	43,928	-	-	-
Finance income	5,511	2,342	1,474	4,088	584	206
Finance costs	(7,505)	(2,826)	(2,233)	(6,677)	(675)	(302)
Profit before taxation	6,192	70,705	8,155	(855)	22,579	1,889
Income tax expense	(23,190)	(29,924)	(3,796)	(10,457)	(6,901)	(430)
Profit for the year from continuing operations	(16,998)	40,781	4,359	(11,312)	15,678	1,459
Loss after tax from discontinued operations	-	(1,153)	(991)	-	13	(227)
Profit for the year	(16,998)	39,628	3,368	(11,312)	15,691	1,232
Profit for the year attributable to						
Equity holders of the parent	(16,685)	40,100	3,552	(11,444)	15,676	1,307
Non-controlling interest	(313)	(472)	(184)	132	15	(75)
	(16,998)	39,628	3,368	(11,312)	15,691	1,232
Other comprehensive income						
<i>Items that will not be reclassified subsequently to profit or loss</i>						
Fair value gain on investments in equity instruments designated at fair value through other comprehensive income	38,238	6,483	10,434	114,717	12,660	9,754
Gain on property revaluation	185,250	(10,275)	9,503	237,677	6,573	21,617
Share of other comprehensive income of associate	4,604	1,180	172	6,695	741	518
	228,092	(2,612)	20,110	359,090	19,974	31,889
Other comprehensive income attributable to						
Equity holders of the parent	(228,087)	(2,612)	20,608	359,073	19,974	31,684
Non-controlling interest	5	-	(499)	17	-	205
	(228,082)	(2,612)	20,110	359,090	19,974	31,889
Total comprehensive income attributable to:						
Equity holders of the parent	211,402	37,488	24,160	367,629	35,650	32,991
Non-controlling interest	(308)	(472)	(683)	149	15	131
	211,094	37,016	23,477	367,778	35,665	33,121

** The previously reported figures have been restated to the measuring unit current at 28 February 2023

FINANCIAL INFORMATION (CONTINUED)

Consolidated Statement of Financial Position

	INFLATION ADJUSTED			HISTORICAL COST		
	Audited 28/02/23	Audited 28/02/22	Audited 28/02/21 ** Restated	Unaudited 12 months ended 23/2/2023	Unaudited 28/02/22	Unaudited 28/02/21
(All figures in ZWL millions)						
ASSETS						
Non-current assets						
Property, plant and equipment	317,478	104,014	147,032	316,065	31,956	27,326
Right of use assets	24,946	8,849	4,721	24,946	2,737	879
Investment property	1,410	578	644	1,410	179	120
Intangible assets	16,524	18,185	34,647	71	86	6,354
Investment in associate	20,974	17,899	15,045	9,076	2,061	847
Long-term receivables	-	9,726	13,240	-	3,008	2,466
Financial assets at fair value through other comprehensive income	152,848	109,354	65,423	152,848	33,825	12,183
Financial assets at amortised cost	4,056	26	41	4,056	8	8
Total non-current assets	538,236	268,631	280,793	508,472	73,860	50,183
Current assets						
Inventories	7,691	9,912	10,664	7,593	2,899	1,866
Income tax receivable	-	-	2,238	-	-	417
Trade and other receivables	114,005	40,625	39,626	103,272	10,696	5,413
Financial assets at fair value through profit or loss	2	8	13	2	2	2
Cash and cash equivalents	49,088	21,645	20,748	49,088	6,695	3,864
Assets classified as held for sale	170,786	72,189	73,289	159,955	20,292	11,562
	-	-	3,833	-	-	714
Total current assets	170,786	72,189	77,122	159,955	20,292	12,276
Total assets	709,022	340,819	357,915	668,427	94,152	62,459
EQUITY AND LIABILITIES						
Share capital and share premium	21,804	21,804	21,804	96	96	96
Retained earnings	107,650	133,832	125,189	(17,493)	2,342	74
Other reserves	307,360	79,290	83,126	418,973	59,971	41,464
Net effect of restatement of operating licence	-	-	14,570	-	-	-
Equity attributable to equity holders of the Company	436,814	234,926	244,689	401,576	62,409	41,634
Non-controlling interest	(15)	730	1,202	-10	219	203
Total equity	436,799	235,656	245,891	401,566	62,628	41,837
Non-current liabilities						
Deferred tax liability	58,707	16,053	24,315	58,575	4,890	4,497
Lease liabilities	22,569	6,780	3,510	22,569	2,097	654
Interest-bearing debt	3,071	20,980	29,099	3,071	6,490	5,419
Provisions	4,838	4,293	1,925	4,838	1,328	358
Total non-current liabilities	89,186	48,106	58,849	89,053	14,805	10,928
Current liabilities						
Deferred revenue	12,730	6,806	3,409	7,500	1,175	426
Provisions	879	527	197	879	163	37
Trade and other payables	80,102	38,165	48,759	80,102	11,805	9,080
Lease liabilities	3,693	1,256	809	3,693	388	151
Interest-bearing debt	66,128	2,514	-	66,128	778	-
Income tax payable	19,506	7,790	-	19,506	2,410	-
Total current liabilities	183,038	57,058	53,174	177,808	16,719	9,694
Total liabilities	272,223	105,164	112,024	266,861	31,524	20,622
Total equity and liabilities	709,022	340,819	357,915	668,427	94,152	62,459

** The previously reported figures have been restated to the measuring unit current at 28 February 2023

FINANCIAL INFORMATION (CONTINUED)

Consolidated Statement of Cashflows

	INFLATION ADJUSTED			HISTORICAL COST		
	Audited 12 months ended 28/02/23	Audited 12 months ended 28/02/22	Audited 12 months ended 28/02/21 ** Restated	Unaudited 12 months ended 23/2/2023	Unaudited 12 months ended 28/02/22	Unaudited 12 months ended 28/02/21
(All figures in ZWL millions)						
Operating activities						
Cash generated from operations	73,694	112,584	42,266	76,456	30,421	7,980
Income tax paid	(18,396)	(25,820)	(23,198)	(14,755)	(6,020)	(3,194)
Net cash flows from operating activities	55,299	86,764	19,067	61,701	24,401	4,786
Investing activities						
Finance income	3,671.36	521	60	2,769	119	9
Acquisition of intangible assets	-	(1)	(38)	-	(0)	(2)
Acquisition of financial assets at amortised cost	(13)	-	-	(13)	-	-
Acquisition of shares in associate	(275)	(880)	(1,080)	(144)	(229)	(149)
Purchase of financial assets at fair value through other comprehensive income	(5,469)	(36,443)	-	(3,816)	(8,668)	-
Purchase of investment property	-	-	(388)	-	-	(39)
Purchase of property, plant and equipment to expand operating capacity	(21,783)	(13,739)	(5,571)	(16,324)	(3,548)	(423)
Proceeds from disposal of property, plant and equipment	947	3,618	71	328	674	3
Net cash used in investing activities	(22,922)	(46,923)	(6,946)	(17,201)	(11,653)	(601)
Financing activities						
Finance costs paid	(3,974)	(989)	(347)	(3,331)	(228)	(47)
Repayment of right-of-use asset lease liabilities	(3,977)	(1,403)	(853)	(1,722)	(323)	(119)
Purchase of treasury shares (share buy backs)	(8,629)	(15,467)	(4,171)	(7,977)	(4,529)	(773)
Proceeds from short-term interest bearing debt	20,489	4,013	-	18,368	1,016	-
Repayment of debentures	-	(5,371)	-	-	(1,243)	-
Repayment of short-term interest bearing debt	(8,843)	(1,938)	(189)	(7,446)	(532)	(8)
Dividend paid	-	(17,789)	-	-	(4,078)	-
Net cash flows used in financing activities	(4,934)	(38,944)	(5,559)	(2,107)	(9,917)	(948)
Net (decrease) / increase in cash and cash equivalents	27,443	897	6,562	42,393	2,832	3,237
Cash and cash equivalents at beginning of year	21,645	20,748	14,186	6,695	3,864	627
Cash and cash equivalents at end of year	49,088	21,645	20,748	49,088	6,695	3,864

** The previously reported figures have been restated to the measuring unit current at 28 February 2023

FINANCIAL INFORMATION (CONTINUED)

Statement of Changes in Equity

	INFLATION ADJUSTED					Total
	Share capital and share premium	Retained earnings	Other reserves	Attributable to equity holders of the entity	Non-controlling interest	
(All figures in ZWL millions)						
Balance at 28 February 2021 - ** Restated	21,804	125,189	83,126	230,119	1,202	231,321
Profit/(Loss) for the year	-	40,100	-	40,100	(472)	39,628
	-	(31,457)	(3,836)	(35,293)	-	(35,293)
Purchase of treasury shares	-	(15,467)	-	(15,467)	-	(15,467)
Dividend paid	-	(17,789)	-	(17,789)	-	(17,789)
Transfer of revaluation reserve on disposal of property, plant and equipment	-	1,224	(1,224)	-	-	-
Share of other equity movements of associates	-	575	-	575	-	575
Movements through other comprehensive income	-	-	(2,612)	(2,612)	-	(2,612)
Balance at 28 February 2022 - Audited	21,804	133,832	79,290	234,926	730	235,656
Loss for the year	-	(16,685)	-	(16,685)	(313)	(16,998)
	-	(9,514)	228,070	218,573	(432)	218,141
Purchase of treasury shares	-	(8,629)	-	(8,629)	-	(8,629)
Increase in shareholding of a subsidiary	-	(400)	-	(400)	(437)	(837)
Share of other equity movements of associates	-	(485)	-	(485)	-	(485)
Transfer of revaluation reserve on disposal of property, plant and equipment	-	16	(16)	-	-	-
Movement through other comprehensive income	-	-	228,087	228,087	5	228,092
Balance at 28 February 2023 - Audited	21,804	107,633	307,360	436,814	(15)	436,799

** The previously reported figures have been restated to the measuring unit current at 28 February 2023

FINANCIAL INFORMATION (CONTINUED)

Statement of Changes in Equity

(All figures in ZWL millions)	HISTORICAL COST					Total
	Share capital and share premium	Retained earnings	Other reserves	Attributable to equity holders of the entity	Non-controlling interest	
Balance at 28 February 2021 - Unaudited	96	(6,243)	41,580	35,433	203	35,636
Profit for the year	-	15,676	-	15,676	15	15,691
	-	(7,091)	18,391	11,301	-	11,301
Purchase of treasury shares	-	(4,529)	-	(4,529)	-	(4,529)
Dividend paid	-	(4,078)	-	(4,078)	-	(4,078)
Transfer of revaluation reserve on disposal of property, plant and equipment	-	1,583	(1,583)	-	-	-
Share of other equity movements of associates	-	(66)	-	(66)	-	(66)
Movements through other comprehensive income	-	-	19,974	19,974	-	19,974
Balance at 28 February 2022 - Unaudited	96	2,342	59,971	62,409	219	62,628
Profit/(Loss) for the year	-	(11,444)	-	(11,444)	132	(11,312)
	-	(8,390)	359,002	350,612	(361)	350,251
Purchase of treasury shares	-	(7,977)	-	(7,977)	-	(7,977)
Increase in shareholding of a subsidiary	-	(460)	-	(460)	(378)	(837)
Share of other equity movements of associates	-	(25)	-	(25)	-	(25)
Transfer of revaluation reserve on disposal of property, plant and equipment	-	71	(71)	-	-	-
Movement through other comprehensive income	-	-	359,073	359,073	17	359,090
Balance at 28 February 2023 - Unaudited	96	(17,493)	418,973	401,577	(10)	401,567

** The previously reported figures have been restated to the measuring unit current at 28 February 2023

PART F: REPORT OF THE INDEPENDENT AUDITORS AND REPORTING ACCOUNTANTS ON THE PROFORMA FINANCIAL INFORMATION



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Kudenga House
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P.O Box 334
Harare
Zimbabwe

24 July 2023

The Directors
Econet Wireless Zimbabwe Limited
No 2 Old Mutual Road,
Msasa
Harare

Dear Messrs,

1. Introduction

This Circular contains the pro-forma consolidated statement of financial position of EWZL ("the Group") as at 28 February 2023 in accordance with the policies and assumptions which form part of the financial information. The purpose of the pro-forma consolidated statement of financial position is to incorporate the effect of the raising of approximately US\$30,3 million equity by way of a rights offer ("the Transaction"), that is the subject of this Circular to shareholders of EWZL subsequent to 28 February 2023 as if it had occurred on that date.

2. Scope of the review

We have performed a review of the pro-forma consolidated statement of financial position of the group as at 28 February 2023 in order to state whether on the basis of the procedures described, anything has come to our attention that would indicate that the pro-forma consolidated statement of financial position is not presented fairly in accordance with the measurement requirements of applicable IFRS to the extent to which they are relevant to the information presented.

Our review has been conducted in accordance with International Standards on Review Engagements 2400, (Review of Interim Financial Information performed by the Independent Auditor of the Entity) and has been limited to inquiries with the Group's personnel, analytical procedures applied to the financial data, a reading of contracts and other relevant documents, reading of minutes of Directors' meetings, ensuring consistency in application of accounting standards and policies and certain limited verifications supporting the amounts and other disclosures in the financial information. We have also determined whether the pro-forma transactions form a reasonable basis for the preparation of the pro-forma statement of financial position.

These procedures do not provide all the evidence that would be required in an audit, thus the level of assurance provided is less than that given in an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.

3. Our review opinion

Based on our review of the pro-forma consolidated statement of financial position nothing has come to our attention to indicate that it has not been compiled in accordance with the policies and assumptions so as to present fairly the relevant pro-forma financial position of EWZL as at 28 February 2023 in accordance with the measurement requirements of applicable IFRS as if the proposed transactions had occurred on that date.

PART F: REPORT OF THE INDEPENDENT AUDITORS AND REPORTING ACCOUNTANTS ON THE PROFORMA FINANCIAL INFORMATION (CONTINUED)

4. EVENTS AFTER REPORTING DATE

Determination of consumer price indices (CPIs)

In March 2023, Statutory Instrument (S.I.) 27 of 2023 which measures inflation as the general increase in price levels of goods and services as a weighted average based on the use of Zimbabwean dollars and United States dollars over a given period of time was promulgated by the authorities.

The dissemination of inflation rates with effect from the date of promulgation of S.I. 27 of 2023 adopted this new blended method of measuring inflation. Consequently, pure Zimbabwe dollar inflation indices which were used by the Group to prepare inflation adjusted financial statements since adoption of IAS 29 on 1 October 2019 were last published for January 2023.

The above issue is considered to be a non-adjusting event for purposes of IAS 10, '*Events after the reporting period*' on the basis that the changes were substantially enacted after the end of the 28 February 2023 reporting period.

5. DISCLOSURE

BDO Zimbabwe Chartered Accountants does not have any pecuniary interests that could reasonably be regarded as being capable of affecting its ability to give an unbiased opinion in this matter. BDO Zimbabwe Chartered Accountants does not provide any other services to EWZL. BDO Zimbabwe Chartered Accountants is the appointed auditor of EWZL and will receive a professional fee for the preparation of this report.

The directors have agreed to indemnify and hold harmless BDO Zimbabwe Chartered Accountants and its employees from any claims arising out of misstatement or omission in any material or information supplied by the directors.

6. APPENDED FINANCIAL INFORMATION

As the purpose of the appended financial information differs from the purpose of financial statements prepared for the members, the appended financial information is not intended to comply fully with the full presentation and disclosure requirements of the Companies and Other Business Entities Act (Chapter 24:31) and IFRS.

7. EXCLUSION OF NOTES AND ACCOUNTING POLICIES

At the request of EWZL, and with the approval of the ZSE, the notes to the financial statements and the accounting policies have been excluded from this Circular but are available for inspection in the Annual Report which is included as part of other documents available for inspection.

8. CONSENT

We consent to the inclusion of this report, which will form part of this Circular to the shareholders, to be issued on or about 24 July 2023, in the form and context in which it will appear.

Yours faithfully,

(Signed on original)

BDO Zimbabwe Chartered Accountants
Registered Public Auditor

PART G: DIRECTORS RESPONSIBILITY STATEMENT

The Directors whose names are given 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 facts the omission of which would make any statement false or misleading, and that they made all reasonable inquiries to ascertain such facts.

The directors also confirm that this circular includes all such information within their knowledge (or which it would be reasonably expect to find for the purposes of making an informed assessment of the assets and liabilities, financial position, profits and losses and prospects of Econet and of the rights attaching securities to which the circular relates.

Name of Director	Signature
Dr James Myers (Chairman)	<i>(Signed on original)</i>
Mr Hardy Pemhiwa	<i>(Signed on original)</i>
Mr Martin Edge	<i>(Signed on original)</i>
Mr Godfrey Gomwe	<i>(Signed on original)</i>
Ms Beatrice Mtetwa	<i>(Signed on original)</i>
Dr Jacqueline Chimhanzi	<i>(Signed on original)</i>
Mr Mgqibelo Gasela	<i>(Signed on original)</i>
Ms Elizabeth Masiyiwa	<i>(Signed on original)</i>
Ms Thoko Moyo	<i>(Signed on original)</i>
Dr Douglas Mboweni	<i>(Signed on original)</i>
Mr Roy Chimanikire	<i>(Signed on original)</i>
Mr Chengeto Moyo	<i>(Signed on original)</i>

ANNEXURE I: PRICE AND VOLUME HISTORY OF ECONET SHARES ON THE ZSE

The table below provides statistical information on Econet Wireless share price and the volumes traded each day in the last 30 days.

Date	Price ZWL	USD Price	Volume
08-06-2023	983.1500	0.20	16,337
09-06-2023	1,100.2825	0.22	1,300,000
12-06-2023	1,197.3900	0.23	1,245,800
13-06-2023	1,087.1670	0.19	400,200
14-06-2023	1,083.6659	0.18	6,600
15-06-2023	1,052.2470	0.17	48,500
16-06-2023	1,047.7876	0.16	136,561
19-06-2023	1,013.4335	0.15	33,000
20-06-2023	861.5783	0.13	23,000
21-06-2023	860.0849	0.12	190,100
22-06-2023	857.2290	0.13	349
23-06-2023	857.4564	0.12	209,300
26-06-2023	858.8100	0.13	297,500
27-06-2023	899.6923	0.13	6,625
28-06-2023	899.5100	0.14	718,500
29-06-2023	881.4800	0.14	19,200
30-06-2023	881.4300	0.15	75,400
03-07-2023	878.7337	0.15	9,600
04-07-2023	870.5300	0.15	1,900
05-07-2023	845.6200	0.16	131,800
06-07-2023	729.4154	0.13	5,200
07-07-2023	750.2770	0.14	102,900
10-07-2023	735.4451	0.14	12,300
11-07-2023	625.1500	0.12	791,200
12-07-2023	597.7300	0.12	177,300
13-07-2023	585.9800	0.12	282,300
14-07-2023	585.2355	0.12	179,247
17-07-2023	510.8200	0.10	1,121,700
18-07-2023	515.0300	0.11	1,662,600
19-07-2023	514.4443	0.11	175,700
20-07-2023	509.3186	0.11	115,200

ANNEXURE I: PRICE AND VOLUME HISTORY OF ECONET SHARES ON THE ZSE (CONTINUED)

The table below provides statistical information on Econet Wireless share price and the volumes traded each day in the last 30 days.

MONTH	HIGH		LOW		VOLUME
	ZWL	USD	ZWL	USD	
July 2023	878.7300	0.15	510.82	0.10	1,662,600
June 2023	1,197.39	0.23	881.43	0.15	5,640,500
May 2023	850.0000	0.3300	780.00	0.3027	10,626,591
April 2023	271.0000	0.2587	265.3200	0.2533	8,457,113
March 2023	284.0000	0.3054	255.0000	0.2742	12,323,400
February 2023	140.0500	0.15751	138.0000	0.1552	28,654,800
January 2023	135.7600	0.17000	96.7500	0.1215	18,138,200
December 2022	80.0000	0.11690	71.5000	0.1045	12,191,000
November 2022	90.0500	0.13750	86.9500	0.1328	18,623,200
October 2022	115.0000	0.18174	114.9500	0.1817	22,376,600
September 2022	121.0000	0.19457	108.0000	0.1737	8,409,200
August 2022	176.0000	0.32186	157.2000	0.2875	14,179,400
July 2022	175.0000	0.39425	160.0000	0.3605	31,363,300
June 2022	250.0000	0.67392	239.0000	0.6443	22,463,300

The table below provides statistical information on Econet Wireless share price and the volumes traded each quarter from the last 24 months.

MONTH	HIGH		LOW		VOLUME
	ZWL	USD	ZWL	USD	
July 2023	878.7300	0.1500	510.82900	0.1000	1,662,600
June 2023	1,197.3900	0.2300	881.4300	0.1500	5,640,500
March 2023	284.0000	0.3054	255.0000	0.2742	12,323,400
December 2022	80.0000	0.11690	71.5000	0.1045	58,984,000
September 2022	121.0000	0.19457	108.0000	0.1737	49,409,000
June 2022	250.0000	0.67392	239.0000	0.6443	68,006,000
March 2022	138.9500	0.97561	136.5000	0.9584	31,468,200
December 2021	75.0000	0.69019	67.0000	0.61656	50,698,300
September 2021	37.7000	0.43004	35.0000	0.39924	24,676,300
June 2021	25.0500	0.29325	24.0000	0.28095	40,412,800
March 2021	19.0000	0.22512	18.0000	0.21327	42,503,000

ANNEXURE II: TABLE OF ENTITLEMENT

No fractions of Rights Offer Shares will be issued to Shareholders. In accordance with the ZSE Listings Requirements, in respect of fractional entitlements that arise, all allocations will be rounded down to the nearest whole number if they are less than 0.5, and rounded up to the nearest whole number if they are equal to or greater than 0.5, and no cash portion will be payable for any fractional entitlement. The table of entitlement of Shareholders to receive Rights Offer Shares is set out below:

SHARES CURRENTLY HELD	RIGHTS OFFER SHARES	AMOUNT REQUIRED (US\$)
1	-	-
2	-	-
3	1.00	0.0755
4	1.00	0.0755
5	1.00	0.0755
6	1.00	0.0755
7	1.00	0.0755
8	1.00	0.0755
9	2.00	0.1510
10	2.00	0.1510
100	17.00	1.2835
500	86.00	6.4930
1,000	171.00	12.9105
2,500	428.00	32.3140
5,000	856.00	64.6280
10,000	1,712.00	129.2560
25,000	4,281.00	323.2155
50,000	8,561.00	646.3555
100,000	17,122.00	1,292.7110
250,000	42,805.00	3,231.7775
500,000	85,610.00	6,463.5550
1,000,000	171,220.00	12,927.1100
5,000,000	856,100.00	64,635.5500
10,000,000	1,712,200.00	129,271.1000
50,000,000	8,561,000.00	646,355.5000
100,000,000	17,122,000.00	1,292,711.0000
500,000,000	85,610,000.00	6,463,555.0000
1,000,000,000	171,220,000.00	12,927,110.0000
1,500,000,000	256,830,000.00	19,390,665.0000

ANNEXURE III: INFORMATION IN RESPECT OF THE UNDERWRITER

The Rights Offer is fully underwritten by the Underwriter. Details pertaining to the Underwriter as required by the Listings Requirements are set out below

Full legal and entity name:	TN Asset Management (Private) Limited
Directors:	Mr. T Nyambirai (Non – Executive Director) Mr. C Maswi (Independent Non – Executive Director) Mr R Chidembo (Independent Non – Executive Director) Mr. M Mbuyisa (Independent Non – Executive Director) Mr. M Mubatanhema (Non – Executive Director) Ms E Mungate (Executive Director) Mr H Kapfunde (Executive Director) Mr. R Makeleni (Executive Director)
Company Secretary:	Patience Janhi
Date and place of incorporation:	15 March 2001, Harare, Zimbabwe
Registration number:	1836/2001
Registered office:	64 Knightsbridge Road, Highlands, Harare
Auditors:	Nolands Harare Chartered Accountants
Bankers:	Steward Bank, Stanbic Bank, CABS, Ecobank
Authorised share capital:	100,000,000 Ordinary Shares of ZWL0.00002 each
Issued share capital:	44,768,200 Ordinary Shares of ZWL0.00002 each

ANNEXURE IV: EGM NOTICE



ECONET WIRELESS ZIMBABWE LIMITED

(Incorporated in Zimbabwe on 4 August 1998 under Company registration number 7548/98)
ZSE alpha code: ECO ISIN: ZW 000 901 212 2

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT an Extraordinary General Meeting of the Company will be held on 7 August 2023 at 14:30 hrs, for the purpose of considering and, if thought fit, passing with or without amendment, the ordinary resolution set out below. Shareholders will be asked to connect and attend virtually via the link: <https://econet.escrowagm.com/>.

All terms used in this Notice which are not defined herein shall have the meanings ascribed to them in the circular to shareholders of the Company dated 24 July 2023.

1. AS AN ORDINARY RESOLUTION – RIGHTS OFFER

1.1 THAT, the Directors of the Company be and are hereby authorised to offer renounceable rights offer shares in the ratio of 17.122 new shares for every 100 shares already held in the company at the close of business on 18 August 2023 of an aggregate of 401,586,371 Ordinary Shares of a nominal value of ZWL0.001 each in the Company’s authorised share capital to existing holders of the Company’s ordinary shares, for subscription pro-rata to their existing shareholdings, in United States Dollars at a price of US\$0.0755 each payable in full in United States Dollars, with an option to pay in the form of EWZL debentures at a price of US\$0.06252 per each debenture, and to issue and allot such shares as may be subscribed to pursuant to the Rights Offer to such shareholders.

1.2 “THAT the rights on offer may only be renounced in favour of existing shareholders of the company.”

1.3 “THAT the options available to the shareholders are: to follow their rights in United States Dollars, or to pay the consideration for the rights offer shares in Econet Debentures at a price of US\$0.06252 per debenture”.

2. AS AN ORDINARY RESOLUTION – DIRECTORS’ AUTHORITY TO GIVE EFFECT TO THE ABOVE RESOLUTIONS

“THAT the directors of the company be and hereby authorised to do any and all such things as may generally be required or as may be necessary to give effect to the above resolutions.”

BY ORDER OF THE BOARD

(Signed on original)

C.A. Banda
Group Company Secretary

24 July 2023

IMPORTANT: PLEASE READ THE NOTES BELOW

Notes:

- Members may appoint one or more persons, whether members or not, to act in the alternative as his or her proxy to attend and vote instead of him or her. In that event, a member (whether individual or corporate) must give specific instructions as to voting, or abstentions from voting, on the proxy form, failing which it will render the proxy invalid.
- The authority of the person signing a proxy or representing an institutional shareholder should be attached to the proxy form in the form of a Board resolution confirming that the proxy has been appointed to represent the shareholder at the Company’s Extraordinary General Meeting, and
- In addition, in the case of Shares entered in the Depository Register maintained by Chengetedzai, the Company may reject any instrument appointing a proxy or proxies lodged if the member, being the appointor, is not shown to have Shares entered against his name in the Chengetedzai’s Depository as at 48 hours before the time appointed for holding the EGM.

ANNEXURE V: PROXY FORM



ECONET WIRELESS ZIMBABWE LIMITED

(Incorporated in Zimbabwe on 4 August 1998 under Company registration number 7548/98)
ZSE alpha code: ECO ISIN: ZW 000 901 212 2

PROXY FORM

*I/We.....(Name) of(Address)

being a registered holder of Ordinary shares in Econet Wireless Zimbabwe Limited hereby

appoint:..... or failing him/her.....

as *my/our *proxy/proxies to attend, speak and vote for *me/us on *my/our behalf at the Extraordinary General Meeting of the Company (“EGM”) to be held on 7 August 2023 at 14.30 hrs and at any adjournment thereof in the following manner:

I/We* direct my/our* proxy/proxies* to vote for or against the resolutions to be proposed at the EGM as indicated hereunder. If no specific direction as to voting is given, the proxy/proxies* will vote or abstain from voting at his/their* discretion, as he/they* will on any other matters arising at the EGM.

	For	Against**	Abstain**
1. AS AN ORDINARY RESOLUTION – RIGHTS OFFER			
1.1 THAT, the Directors of the Company be and are hereby authorised to offer renounceable rights offer shares in the ratio of 17.122 new shares for every 100 shares already held in the company at the close of business on 18 August 2023 of an aggregate of 401,586,371 Ordinary Shares of a nominal value of ZWL0.001 each in the Company’s authorised share capital to existing holders of the Company’s ordinary shares, for subscription pro-rata to their existing shareholdings, in United States Dollars at a price of US\$0.0755 each payable in full in United States Dollars, with an option to pay in the form of EWZL debentures at a price of US\$0.06252 per each debenture, and to issue and allot such shares as may be subscribed to pursuant to the Rights Offer to such shareholders.			
1.2 “THAT the rights on offer may only be renounced in favour of existing shareholders of the company.”			
1.3 “THAT the options available to the shareholders are: to follow their rights in United States Dollars, or to pay the consideration for the rights offer shares in Econet Debentures at a price of US\$0.06252 per debenture”			
2. AS AN ORDINARY RESOLUTION – DIRECTORS’ AUTHORITY TO GIVE EFFECT TO THE ABOVE RESOLUTIONS			
“THAT the directors of the company be and hereby authorised to do any and all such things as may generally be required or as may be necessary to give effect to the above resolutions.”			

* Delete accordingly

** A tick or cross would represent that you are exercising all your votes “For” or “Against” or “Abstain” from voting on the resolution. In the absence of specific directions in respect of a resolution, your proxy will be treated as invalid.

Signed this Day of 2023

Signature(s) of Member(s) or Common Seal

IMPORTANT: PLEASE READ THE NOTES OVERLEAF

ANNEXURE V: PROXY FORM (CONTINUED)

PROXY FORM (CONTINUED)

NOTES:

- Shareholders may insert the name of a proxy or the name of two alternative proxies of the shareholder's choice in the space provided. The person whose name appears first on the form of proxy shall be entitled to act as to the exclusion of those whose names follow.
- The proxy must not be Director or an Officer of the Company.
- The authority of the person signing a proxy or representing an institutional shareholder should be attached to the proxy form in the form of a Board resolution confirming that the proxy has been appointed to represent the shareholder at the Company's Extraordinary General Meeting.
- Forms of proxy must be lodged at or posted to be received at the registered office of the Company Secretary, Econet Wireless Zimbabwe Limited, 2 Old Mutare Road, Harare, Zimbabwe or at the office of the Transfer Secretaries, 1 Armagh Avenue, Eastlea, Harare, Zimbabwe, not less than 48 hours before the time of the meeting.
- The completion and lodging of this form of proxy shall not preclude the relevant shareholder from attending the Extraordinary General Meeting and speaking and voting in person thereat to the exclusion of any proxy appointed in terms thereof should the shareholder wish to do so.
- The Chairman of the Extraordinary General Meeting may accept a proxy form which is completed and /or received other than in accordance with these instructions, provided that he is satisfied as to the manner in which a shareholder wishes to vote.
- Any alteration or correction to this form must be initialled by the signatory/signatories.

ANNEXURE VI: FORM OF INSTRUCTION

THIS DOCUMENTS REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to what action to take, please consult your stockbroker, banker, attorney, accountant, or other professional advisor immediately.

Econet Wireless Zimbabwe Limited has issued all letters of allocation in dematerialised form and the electronic record for Certificated Shareholders is being maintained by its transfer secretaries, First Transfer Secretaries (Pvt) Ltd. This has made it possible for Certificated Shareholders to enjoy the same rights and opportunities with respect to the Form of Instruction as those Shareholders who have already Dematerialised their Ordinary Shares. You must complete this Form of Instruction and return it to the Transfer Secretaries, at the address set out in the corporate information, if you wish take up all or part of your Rights in terms hereof.

Each amendment to this Form of Instruction must be signed in full and must not be initialled.



ECONET WIRELESS ZIMBABWE LIMITED

(Incorporated in Zimbabwe on 4 August 1998 under Company registration number 7548/98)
 ZSE alpha code: ECO ISIN: ZW 000 901 212 2

A fully-underwritten renounceable Rights Offer to Qualifying Shareholders in respect of 401,586,371 Rights Offer Shares at an issue price of US\$0.0755 per Rights Offer Share, in the ratio of 17.122 Rights Offer Shares, for every 100 Econet Ordinary Shares held at the close of trade on 18 August 2023.

FORM OF INSTRUCTION IN RESPECT OF A LETTER OF ALLOCATION ("FORM OF INSTRUCTION")

EVENTS	DATE
Last day to trade in Shares in order to participate in the Rights Offer (cum entitlement)	Friday, 11 August 2023
Shares commence trading ex-entitlement at 09:00hrs on	Wednesday, 16 August 2023
Record Date for the Rights Offer (record date for determination of shareholders entitled to participate in the rights offer)	Friday, 18 August 2023
Listing of and trading in the Letters of Allocation on the ZSE commences at 09:00hrs on	Monday, 21 August 2023
Rights Offer opens at 09:00hrs	Monday, 21 August 2023
Certificated Shareholders will have their Letters of Allocation credited to an electronic account held at the Transfer Secretaries at 09:00hrs	Monday, 21 August 2023
Dematerialised Shareholders will have their Letters of Allocation credited to their accounts held at their CSDP or broker at 09:00hrs	Monday, 21 August 2023
Last day to trade Letters of Allocation on the ZSE 14:30hrs	Wednesday, 6 September 2023
Securities that are the subject of the rights offer listed (if granted)	Thursday, 7 September 2023
Payment made and Form of Instruction lodged by Shareholders wishing to exercise all or part of their entitlement at the Transfer Secretaries by 14:30hrs on	Friday, 8 September 2023
Rights Offer closes at 14:30hrs	Friday, 8 September 2023
Last day of postal Acceptance of the rights offer	Wednesday, 13 September 2023
Results of Rights Offer announced	Friday, 15 September 2023
Listing of Rights Offer Shares at the commencement of business	Monday, 18 September 2023
CSDP or Broker accounts in respect of Shareholders holding Dematerialised Shares will be updated with Rights Offer Shares and debited with any payments due on	Monday, 18 September 2023
Rights Offer Shares issued and posted to Shareholders holding Certificated Shares	Monday, 18 September 2023

ECONET WIRELESS ZIMBABWE LIMITED

(Incorporated in Zimbabwe on 4 August 1998 under Company registration number 7548/98)
ZSE alpha code: ECO ISIN: ZW 000 901 212 2

ANNEXURE VI: FORM OF INSTRUCTION (CONTINUED)**Notes:**

1. If you are a Qualifying Dematerialised Shareholder you are required to notify your duly appointed CSDP or Broker of your acceptance of the Rights Offer in the manner and time stipulated in the agreement governing the relationship between yourself and your CSDP or Broker.
2. CSDPs effect payment on a delivery versus payment method in respect of Qualifying Dematerialised shareholder other than with own-name registration.
3. All times are Zimbabwean times.
4. Share certificates will be posted by registered post at the risk of the Qualifying Certificated Shareholders (or their renounees)

Directors**Independent Non-Executive:**

Dr James Myers (Chairman), Mr Martin Edge, Mr Godfrey Gomwe, Dr Jacqueline Chimhanzi, Mr Mggqibelo Gasela, Ms Thoko Moyo.

Non-Executive:

Mr Hardy Pemhiwa, Ms Beatrice Mtetwa, Ms Elizabeth Masiyiwa.

Executive:

Dr Douglas Mboweni, Mr Roy Chimankire, Mr Chengeto Moyo.

Registered Office:

Econet Wireless Zimbabwe Limited, 2 Old Mutare Road, Harare, Zimbabwe

Dear Shareholder**1. THE RIGHTS OFFER**

- 1.1 Shareholders recorded in the Register of the Company at the close of trade on 18 August 2023, are offered, on the terms and conditions stated in the Circular dated 24 July 2023 (which shall, if in conflict with the information set out below, take precedence) Rights to subscribe for Rights Offer Shares at a subscription price of US\$0.0755 per Rights Offer Share in the ratio of 17.122 Rights Offer Shares for every 100 Econet Ordinary Shares held on the Record Date.

2. ALLOCATION (REFER TO THE FORM ATTACHED)

- 1.2 The Rights Offer Shares stated in Block (3) have been provisionally allocated for issue at a subscription price of US\$0.0755 per Rights Offer Share to the Shareholder whose name is stated in Block (1).

3. ACCEPTANCE AND PAYMENT

- 3.1 If you wish to accept the Rights Offer you must complete Blocks (5) and (6).
- 3.2 If you are the person(s) in whose name(s) this Form of Instruction was issued and wish to subscribe for all the Rights Offer Shares allocated to you, complete the applicable blocks as stated above. Forms A, B and Form C of this Form of Instruction need not be completed.
- 3.3 If you are the person(s) in whose favour this Form of Instruction has been renounced and you wish to subscribe for the Rights Offer Shares, complete the applicable blocks as stated above as well as Form C of this Form of Instruction.
- 3.4 Payment of the USD value of the subscription price may be made either in Cash or through a transfer from a Nostro account into the designated bank account (kindly contact the Transfer Secretaries' on

04-782869/72 or via email on infor@fts.net.com to obtain banking details and reference number for the deposits or through the transfer of equivalent value of EWZL debentures.

- 3.5 No acknowledgement of receipt will be given for an Electronic transfer received in accordance with the Rights Offer.

- 3.6 Such payment, when the Electronic Transfer is cleared into the designated bank account, will constitute acceptance of the Rights Offer upon the terms and conditions set out in the accompanying Circular and in this Form of Instruction.

- 3.7 If this Form of Instruction and proof of payment are not received as set out above, then the Rights Offer will be deemed to have been declined and the right to subscribe for the Rights Offer Shares offered to the addressee or renounced in favour of his/her renounee will lapse, no matter who then holds it.

4. FOREIGN SHAREHOLDERS

- 4.1 Please refer to the "Exchange Control" section in the Circular prior to completing this Form of Instruction.

5. SALE OF RIGHTS

- 5.1 If you wish to sell all or some of your Rights, you must complete Form A of this Form of Instruction and return it to the Transfer Secretaries in accordance with the instructions contained therein so as to reach the Transfer Secretaries by no later than 8 September 2023.

- 5.2 The Transfer Secretaries will endeavour to procure the sale of rights on the ZSE on your behalf and to remit the net proceeds thereof in accordance with your instructions. In this regard, neither the Transfer Secretaries, nor any broker appointed by it nor EWZL will have any obligation or be responsible for any loss or damage whatsoever in relation to or arising out of the timing of such sales, the price obtained or any failure to sell such Rights.

6. ZSE LISTING

6.1 The ZSE has granted a listing for the Letters of Allocation in respect of 401,586,371 Rights Offer Shares with effect from the commencement of trading on 21 August 2023 to the close of trade on 6 September 2023, both days inclusive.

7. RENUNCIATION OF RIGHTS

7.1 If you are a Qualifying Certificated Shareholder and you do not wish to subscribe for the Rights Offer Shares allocated to you in terms of the Rights Offer, you may renounce your rights by signing Form B, and the Renouncee who wishes to subscribe for the Rights Offer Shares in terms of the Rights Offer must complete Form C, lodge this Form of Instruction, and make payment, in terms of paragraph 3.4 above, for the number of Rights Offer Shares in respect of which the Rights Offer is accepted

7.2 The lodging of this Form of Instruction, with Form B purporting to be signed by the Shareholder whose name appears thereon, will be taken to be conclusive evidence of the right of the holder:

- to deal with this Form of Instruction; or
- to have the Rights Offer Shares in question allotted and to receive a certificate for those shares.

7.3 Therefore, Econet will not be obliged to investigate whether Forms B and C have been properly signed or completed or to investigate any fact surrounding the signing or lodging of either form.

8. EXCESS APPLICATIONS

8.1 There will be no provision for excess allocations.

9. EXCHANGE CONTROL REGULATIONS

9.1 Pursuant to the Exchange Control Regulations of Zimbabwe and upon specific approval of the Central Bank of Zimbabwe, non-residents will be allowed to:

- take up rights allocated to them in terms of the Rights Offer;
- purchase Letters of Allocation on the ZSE; and
- subscribe for the Rights Offer Shares arising from the Letters of Allocation purchased on the ZSE, provided payment is received either through normal banking channels from abroad or from a non-resident account.

9.2 All applications by non-residents for the above purposes must be made through an authorised dealer in foreign exchange. Electronic statements issued and any Ordinary Share certificates issued pursuant to such applications will be endorsed "non-resident".

10. DOCUMENTS OF TITLE

10.1 Share certificates to be issued to Qualifying Certificated Shareholders (or their renouncees) in respect of those Rights Offer Shares to which they

have validly subscribed, will be posted to persons entitled thereto, by registered post, at the risk of the recipient, on or about 11 September 2023.

11. REFUNDS

11.1 Money received in respect of an application that is rejected or otherwise treated as void by Econet, or which is otherwise not validly received in accordance with the terms stipulated, will be refunded by way of a bank transfer (without interest) in USD to the applicant concerned on or about 18 September 2023.

**By order of the Board
Econet Wireless Zimbabwe Limited**

(Signed on original)

**C.A. Banda
Group Company Secretary**

GENERAL INSTRUCTIONS AND CONDITIONS

- a) Powers of attorney:** If this form is signed under a power of attorney, then the original, or certified copy thereof, must be sent to the transfer secretaries for noting unless it has already been noted by Econet or the Transfer Secretary.
- b) Companies or other incorporated entities:** A company wishing to exercise its rights must send the original or certified copy of the directors' or members' resolution authorising the exercise of such rights to the Transfer Secretaries for noting.
- c) Stamp of broking member of the ZSE:** If any signature to Form B is confirmed by the stamp of a broking member of the ZSE then a), b) or c) above, as the case may be, will not apply.
- d) Deceased estates and trusts:** Rights Offer Shares will not be allotted in the name of an estate or a trust. Therefore, where the right to the Rights Offer Shares has accrued to the estate of a deceased holder or a trust, the executor or administrator or trustee (as the case may be) must complete Form B in his/her representative capacity and Form C must be completed by the person in whose name the Rights Offer Shares are to be allotted without any reference to the estate or the trust.
- e) Joint holders:** Where applicable, all joint holders of Letters of Allocation must sign.
- f) Receipts and documents:** No receipts will be given for completed Letters of Allocation and remittances. Original documents accompanying applications will be returned by the Transfer Secretary in due course, at the risk of the applicant.
- g) Share certificates:** Econet uses the "certified transfer deeds and other temporary documents of title" procedure approved by the ZSE and, therefore, will issue only one "block" share certificate for the Rights Offer Shares allotted by it to each acceptor of the offer.

All documentation to be forwarded to:

The Transfer Secretaries
First Transfer Secretaries
1 Armagh Avenue, Eastlea
Harare, Zimbabwe

<p>FORM A: INSTRUCTION TO SELL</p> <p>This form is to be signed by the offeree if the rights to the Rights Offer Shares are to be sold.</p> <p>To the Directors, Econet Wireless Zimbabwe Limited</p> <p>I/We hereby instruct First Transfer Secretaries (Pvt) Ltd to pay the proceeds, if any, of the sale of (insert number) Rights allocated to me/us in terms of this Form of Instruction (less fees calculated as follows:)</p> <p>A administration fee of USD..... will be levied in respect of the selling order.</p> <p>Payment instruction:</p> <p>By electronic funds transfer to the following bank account: (certified copies of the bank statement and identification document must be attached to the Form of Instruction when payment via electronic funds transfer is requested and the same has not been submitted to the transfer secretaries to date).</p> <p>Name of bank:.....</p> <p>Account number:.....</p> <p>Branch code:.....</p> <p>In order to comply with the requirements of the FIU, First Transfer Secretaries will be unable to record any change of address mandated unless the following documentation is received from the relevant Shareholder:</p> <ul style="list-style-type: none"> • An original certified copy of your identity document, and • An original or an original certified copy of a service bill to verify your residential address. <p>PLEASE NOTE THAT IF THE ABOVE INFORMATION IS NOT COMPLETE OR IF CONFLICTING INSTRUCTIONS ARE GIVEN, A USD BANK TRANSFER PAYMENT OF THE AMOUNT DUE WILL BE PAID TO THE ABOVE BANK ACCOUNT DETAILS.</p> <p>Signed: Signature(s) of offeree selling his/her rights</p> <p>Assisted by me (where applicable) (all joint holders must sign)</p> <p>Date:.....</p>	<p>Stamp of selling broker (if any) or stamp or name and address of lodging agent</p>
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<p>FORM B: FORM OF RENUNCIATION</p> <p>(To be signed by the shareholder named in Block (1) on the first page of this form if the right to the Rights Offer Shares are renounced.)</p> <p>To the Directors, Econet Wireless Zimbabwe Limited</p> <p>I/We hereby renounce my/our right to subscribe for(insert number) of the Rights Offer shares allocated to me/us as stated in Block (3) on the second page of this form in favour of the person(s) completing the registration application form (Form C) in relation to such shares.</p>	<p>Stamp of selling broker (if any) or stamp or name and address of lodging agent</p>
<p>Signed: Signature(s) of offeree selling his/her rights</p> <p style="text-align: right;">Assisted by me (where applicable) (all joint holders must sign)</p> <p>Date:.....</p> <p>(Note: Renounees must attach a certified true copy of their identification document to the Form of Instruction when Form B: Form of renunciation is completed.)</p>	

<p>FORM C: REGISTRATION APPLICATION FORM</p> <p>This form to be completed in respect of the person(s) (ie the renounee(s)) in whose name(s) the Rights Offer shares are to be allotted).</p> <p>ONCE THIS FORM HAS BEEN COMPLETED THIS FORM OF INSTRUCTION WILL NO LONGER BE NEGOTIABLE.</p> <p>To the Directors, Econet Wireless Zimbabwe Limited</p>	<p>Stamp of selling broker (if any) or stamp or name and address of lodging agent</p>
<p>I/We hereby request you to allot the Rights Offer Shares comprised in this Form of Instruction and as indicated in Blocks (5), (6) and (7) hereof in the following name(s) upon the conditions set out in the accompanying circular, dated 24 July 2023 and subject to the Memorandum of Incorporation of Econet Wireless Zimbabwe Limited.</p> <p>I/We authorise you to place such name(s) on the register of Econet Wireless Zimbabwe Limited shareholder in respect thereof. Surname(s) or name of company.</p> <p>Mr/Mrs/Miss/Ms:.....</p> <p>First names in full:.....</p> <p>Address:.....</p> <p>Telephone number (office hours):..... Cellphone number:.....</p> <p>Email address:.....</p> <p>Signed: Signature(s) of offeree selling his/her rights</p> <p style="text-align: right;">Assisted by me (where applicable) (all joint holders must sign)</p> <p>Date:.....</p>	

FORM D: POSTAL INSTRUCTIONS

(to be completed only if you require a share certificate)

Certificated Shareholders accepting all the rights allocated to them in terms of the Rights Offer will receive their Rights Offer Shares in certificated form, which will not be good for delivery until they have been Dematerialised.

Kindly post the relevant share certificate to the following address by registered post:
Certificated Shareholders should complete the section below.

Name:.....

Address:.....

(If no specific instructions are given here, the Certificated Shares will be forwarded to the address as shown on the second page of this Form of Instruction.) A Shareholder wishing to collect his/her/their new share certificate from the Transfer Secretary must tick this block:

THIS FORM MUST BE RETURNED IN ITS ENTIRETY TO THE TRANSFER SECRETARIES:

Transfer Secretaries:

Name and address of Shareholder	Account number
(1)	<i>Enquiries in connection with this Letter of Allocation should be addressed to the Transfer Secretaries, quoting the account number below:</i>

Number of Econet Wireless Zimbabwe Limited Ordinary Shares deemed to be registered in your name at the close of business on the Record Date	Number of Rights Offer Shares to which you are deemed to be entitled in terms of the Rights Offer	Amount payable for the maximum number of Rights Offer Shares at US\$0.0755 per Rights Offer Share
(2)	(3)	USD (4) + (3) x US\$0,0755 (4)

Acceptance of Rights Offer Shares	Number of Rights Offer Shares subscribed for	Total amount due at US\$0.0755 per Rights Offer Share
<i>(the same or lesser number of Rights Offer Shares as the number in Block (3) of this form of instruction may be accepted)</i>	(5)	USD (4) + (3) x US\$0,0755 (6)

Applicant's telephonenumber:..... Cellphonenumber:.....

Address:.....

Email address:.....

Signature:..... Date:.....

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