

THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

The definitions and interpretations commencing on page 14 apply throughout this Circular, including this front cover.

Action required

1. This Circular is important and should be read with particular attention to the section entitled "Action required by Niveus Shareholders in respect of the Scheme", which commences on page 3, and the section entitled "Action required by Niveus Shareholders in respect of the General Offer", which commences on page 7.
2. If you are in any doubt as to what action you should take, please consult your Broker, banker, attorney, CSDP or other professional adviser immediately.
3. If you have disposed of all your Niveus Shares, this Circular should be handed to the purchaser of such Niveus Shares or to the Broker, CSDP, banker or other agent through whom the disposal was effected.

Niveus does not accept responsibility, and will not be held liable, for any action of, or omission by, any CSDP or Broker including, without limitation, any failure on the part of the CSDP or Broker of any beneficial owner of Niveus Shares to notify such beneficial owner of the Offer set out in this Circular.

NIVEUS

INVESTMENTS LIMITED

Reg. no: 1996/005744/06

NIVEUS INVESTMENTS LIMITED

(Incorporated in the Republic of South Africa)

(Registration number 1996/005744/06)

JSE share code: NIV

ISIN: ZAE000169553

("Niveus")

HCI NIVEUS HOLDCO 1 PROPRIETARY LIMITED

(Incorporated in the Republic of South Africa)

(Registration number 2019/308050/07)

("HCI Offerco" or "Offeror")

COMBINED OFFER CIRCULAR TO NIVEUS SHAREHOLDERS

regarding:

- The single cash offer by HCI Offerco to acquire the Niveus Shares, other than those held by the Excluded Shareholders by way of:
 - a scheme of arrangement in terms of section 114(1) read with section 115 of the Companies Act, proposed by the Niveus Board to Niveus Shareholders;
 - if the Scheme fails to be implemented in accordance with its terms, a general offer by HCI Offerco to Niveus Shareholders in terms of section 117(1)(c)(v) of the Companies Act and paragraph 1.15(c) of section 1 of the Listings Requirements;
 - the termination of the listing of all Niveus Shares from the main board of the JSE either, pursuant to (i) the Scheme becoming operative or (ii) the General Offer being implemented;

and incorporating:

- a report prepared by the Independent Expert in terms of section 114(3) of the Companies Act, regulations 90 and 110 of the Companies Regulations and the Listings Requirements;
- a notice convening the General Meeting;
- a Form of Proxy (*yellow*) for use by Certificated Niveus Shareholders and Dematerialised Niveus Shareholders with Own-Name Registration only;
- a Form of Election, Surrender and Transfer (*blue*) for use by Certificated Niveus Shareholders only;
- a Form of Acceptance and Transfer (*pink*) in respect of the General Offer for use by Certificated Niveus Shareholders only; and
- extracts of section 115 of the Companies Act dealing with the approval requirements for fundamental transactions, section 164 of the Companies Act dealing with dissenting shareholders' Appraisal rights and section 124 of the Companies Act dealing with compulsory acquisitions.

Sponsor to
Niveus



Financial adviser to
HCI Offerco



Legal adviser to
HCI Offerco and Niveus



Independent expert



Date of issue: Monday, 4 November 2019

This Circular is available in English only. A copy of the Circular will be made available for inspection by Niveus Shareholders during normal office hours from 09:00 to 17:00 from the date of posting of this Circular on Monday, 4 November 2019 up to and including the Scheme Implementation Date or, if the General Offer is implemented, the General Offer Closing Date at the registered offices of the Company, which is set out on the inside front cover in the "Corporate information and advisors" section of this Circular. The Circular will also be made available on Niveus' website, www.niveus.co.za

CORPORATE INFORMATION AND ADVISERS

Niveus Investments Limited

Place of incorporation: Incorporated in the Republic of South Africa
Date of incorporation: 15 May 1996
La Concorde
57 Main Street
Paarl, 7646

Company secretary of Niveus

HCI Managerial Services Proprietary Limited
Suite 801
76 Regent Road
Sea Point, 8005
(PO Box 5251, Cape Town, 8001)

Transfer secretaries to Niveus

Computershare Investor Services Proprietary Limited
(Registration number 2004/003647/07)
Rosebank Towers
15 Biermann Avenue
Rosebank, 2196
(PO Box 61051, Marshalltown, 2107)

Sponsor to Niveus

Investec Bank Limited
(Registration number 1969/004763/06)
100 Grayston Drive
Sandton, 2196
(PO Box 785700, Sandton, 2146)

Legal adviser to Niveus

Edward Nathan Sonnenbergs Incorporated
(Registration number 2006/018200/21)
1 North Wharf Square, Loop Street
Foreshore
Cape Town, 8001
(PO Box 2293, Cape Town, 8000)

Independent Expert

Mazars Corporate Finance Proprietary Limited
(Registration number 2003/029561/07)
54 Glenhove Road
Melrose Estate
Johannesburg, 2196
(PO Box 6697, Johannesburg, 2000)

HCI Niveus Holdco 1 Proprietary Limited

Place of incorporation: Incorporated in the Republic of South Africa
Date of incorporation: 27 June 2019
Suite 801
76 Regent Road
Sea Point, 8005
(PO Box 5251, Cape Town, 8001)

Company secretary of HCI Offerco

HCI Managerial Services Proprietary Limited
Suite 801
76 Regent Road
Sea Point, 8005
(PO Box 5251, Cape Town, 8000)

Financial adviser to HCI Offerco

Investec Bank Limited
(Registration number 1969/004763/06)
100 Grayston Drive
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