



Notice to shareholders

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

If you are in any doubt about what action you should take, consult your broker, Central Securities Depository Participant (“CSDP”), legal adviser, banker, financial adviser, accountant or other professional adviser immediately.

If you have disposed of all your shares in Howden Africa Holdings Limited, please forward this document to the purchaser of such shares or broker, banker or other agent through whom you disposed of such shares.

Howden Africa Holdings Limited

(Incorporated in the Republic of South Africa)

Registration number 1996/002982/06)

(the “Company”)

JSE Code: HWN ISIN Code: ZAE 000010583

NOTICE TO ORDINARY SHAREHOLDERS IN TERMS OF SECTION 60 OF THE COMPANIES ACT, 71 OF 2008, AS AMENDED (“COMPANIES ACT”) IN RESPECT OF A PROPOSED ORDINARY RESOLUTION IN TERMS OF SECTION 75(7)(b)(i)

Notice is hereby given to ordinary shareholders of Howden Africa Holdings Limited (the “Company”) that the board of directors of the Company has resolved to submit the ordinary resolution set out in Annexure 1 hereto (“Ordinary Resolution”) to be considered and voted on in writing in terms of section 60 of the Companies Act by ordinary shareholders.

Who has received notice of this written ordinary resolution

In accordance with section 59(1) of the Companies Act the Company’s board of directors has resolved the record date for determining shareholders of the company entitled to receive notice hereof as being those recorded as such in the share register of the Company, maintained by the transfer secretaries, as being the close of business on **Friday, 16 January 2015**.

Who may vote on this ordinary resolution

In accordance with section 59(1)(b) of the Act, the Company’s board of directors has resolved that the record date for determining which shareholders of the Company are entitled to attend, participate in, and to vote on this Ordinary Resolution, as **Friday, 30 January 2015**.

Introduction

1. The following intra-group agreements were approved by a unanimous board during or about 28 November 2013:
 - a. A management services agreement concluded between the Company and Howden Group Limited (“HGL”), on or about 20 December 2013 (the “Management Services Agreement”) in terms of which the Company contracted with HGL to provide designated management services; and
 - b. An enterprise (AX) software development license agreement concluded between the Company and HGL, on or about 19 September 2014 (the “Software License Agreement”), in terms of which the Company contracted with HGL to obtain a license to utilise designated Howden software.
2. By virtue of Mr Brown and Mr Brander being directors of the Company as well as HGL and HGL being a related party to the aforesaid directors, there has been inadvertent technical non-compliance with section 75 of the Companies Act 71 of 2008.
3. In order to ensure that such non-compliance is rectified the Board has resolved to propose that the Company’s shareholders consider and, if deemed fit, pass, with or without modification, the Ordinary Resolution.
4. The Ordinary Resolution is in terms of section 75(7)(b)(i) of the Companies Act and provides for the ratification that the entry into the abovementioned intra-group agreements, approved by a unanimous resolution of the board during or about 28 November 2013 are valid despite the personal financial interest of HGL, a related party to Ian Brander and James Brown by virtue of them being directors of HGL.
5. Section 65(2) of the Companies Act provides that the Board may propose any resolution to be considered by shareholders and may determine whether that resolution will be considered at a meeting, or by vote or written consent in terms of section 60 of the Companies Act.
6. As this resolution concerns a matter not regulated by the Listings Requirements of the JSE Limited, the Board has determined that the Ordinary Resolution be considered by the shareholders of the Company by written consent in terms of section 60 of the Companies Act.
7. In terms of section 60 of the Companies Act, a resolution that could be voted on at a shareholders meeting may instead be submitted for consideration to the shareholders entitled to exercise voting rights in relation to the resolution, and be voted on in writing by shareholders entitled to exercise voting rights in relation to the resolution, within 20 (twenty) business days of the resolution being submitted to them.

8. Section 60(2) of the Companies Act further provides that a resolution contemplated in section 60(1) of the Companies Act will have been adopted if it is supported by persons entitled to exercise sufficient voting rights for it to have been adopted as an ordinary or special resolution, as the case may be, at a properly constituted shareholders meeting and, if adopted, such resolution will have the same effect as if it had been approved by voting at a meeting.

Action required by shareholders

1. Shareholders who have dematerialised their shares (other than “own-name” dematerialised shareholders):
 - a. Should advise their Central Securities Depository Participant (“CSDP”) or broker as to what action they wish to take in terms of the agreement entered into between them and their CSDP or broker.
 - b. Must not return the form of written consent set out in Annexure 2 (the “Written Consent”) to the Company transfer secretaries as their instructions must be sent to their CSDP or broker for action.
2. Certificated shareholders and “own-name” dematerialised shareholders may indicate, by the insertion of the relevant number of votes exercisable by that shareholder in the appropriate box provided on the form of written consent set out in Annexure 2 (the “Written Consent”), how they wish to cast their votes in relation to the relevant Ordinary Resolution within 20 (twenty) business days of the date of receipt hereof.
3. The Written Consent must be completed and signed in accordance with the instructions therein, and must be received by the Company’s transfer secretaries, Computershare Investor Services Proprietary Limited, within 20 (twenty) business days of the date of receipt hereof at any one of the following addresses:
 - a. Physical address:
70 Marshall Street
Johannesburg, Gauteng
2000
 - b. Postal address:
PO Box 61051
Johannesburg
2107
 - c. Email address:
proxies@computershare.co.za
4. The record date for determining which shareholders are entitled to vote on the Ordinary Resolution in terms of the Written Consent shall be **Friday, 30 January 2015**, being the 7th (seventh) day following the date on which this letter, including the annexure, is posted to shareholders.
5. The salient dates to be considered are confirmed to be as follows:
 - a. Record date for determining which shareholders will be entitled to receive this notice **Friday, 16 January 2015**
 - b. Record date for determining which shareholders are entitled to vote on the Ordinary Resolution contained in this notice **Friday, 30 January 2015**
 - c. Form of Written Consent to be received by the Company transfer secretaries by 12:00 **Friday, 27 February 2015**

Yours faithfully,



C Koopman
Company Secretary

16 January 2015

ANNEXURE 1

ORDINARY RESOLUTION SUBMITTED TO ORDINARY SHAREHOLDERS FOR CONSIDERATION, AND IF DEEMED FIT, FOR APPROVAL, WITH OR WITHOUT MODIFICATION, IN TERMS OF SECTION 60 OF THE COMPANIES ACT, 71 OF 2008, AS AMENDED (“COMPANIES ACT”)

RATIFICATION OF APPROVAL OF INTRA-GROUP AGREEMENTS APPROVED BY THE BOARD DESPITE THE PERSONAL INTEREST OF A JURISTIC PERSON RELATED TO TWO DIRECTORS.

Proposed resolution

Resolved that, in accordance with section 75(7)(b)(i) of the Companies Act the shareholders ratify the entry into of the below intra-group agreements, approved by a unanimous resolution of the board during or about 28 November 2013, in relation to which Howden Group Limited (HGL), a related person to Ian Brander and James Brown by virtue of them being directors of both the Company and HGL which has a personal financial interest in the agreements:

- a. A management services agreement concluded between the Company and HGL (the “Management Services Agreement”), on or about 20 December 2013, in terms of which the Company contracted with HGL to provide designated management services; and
- b. An enterprise (AX) software development license agreement concluded between the Company and HGL (the “Software License Agreement”), on or about 19 September 2014, in terms of which the Company contracted with HGL to obtain a license to utilise designated Howden software.

Explanatory notes

The Company forms part of an international group of companies (“Howden Group”), with 55.39% of the entire issued share capital of the Company and Howden Group being indirectly and ultimately held (through various entities, including HGL) by Colfax Corporation (a company listed on the New York Stock Exchange).

As a part of the global Howden Group, the Company remains heavily reliant on Howden Group’s international infrastructure and expertise, including for the provision of specified management services and for the licensing of technologies and software developed and/or utilised by the Howden Group to run its operation, manufacture its products and provide the services that Howden Africa provides to its customers and to integrate the entire Howden Group globally.

As a result of the above, the Company has concluded the abovementioned agreements with Howden Group Limited. The said agreements relate to the ongoing operation of the Company and were approved by unanimous resolution of the board of directors of the Company during or about 28 November 2013.

By virtue of Mr Brown and Mr Brander being directors of the Company as well as Howden Group Limited and Howden Group Limited being a related party to the aforesaid directors, there has been inadvertent technical non-compliance with section 75 of the Companies Act 71 of 2008.

In order to ensure that such non-compliance is rectified the Board has resolved to propose that the Company’s shareholders consider and, if deemed fit, pass, with or without modification, the above Ordinary Resolution.

Disclosure of personal financial interest of a juristic person related to two directors of the Company in accordance with section 75(7)(b)(i) of the Companies Act

Howden Group Limited, is a “related person” to the following directors of the Company, Ian Brander and James Brown, by virtue of Howden Group Limited directorships held by them. Howden Group Limited has a “personal financial interest” in the agreements as it is the party with whom the Company has contracted and is entitled to the fees payable in terms of abovementioned agreements.

Percentage of voting rights required to approve/pass the Ordinary Resolution

In terms of the Companies Act and the Company’s Memorandum of Incorporation, in order for the Ordinary Resolution Number to be approved/passed by shareholders, it must be supported by at least 50% of the voting rights exercised on this ordinary resolution.

ANNEXURE 2

Howden Africa Holdings Limited
(Incorporated in the Republic of South Africa)
Registration number 1996/002982/06
(the "Company")
JSE Code: HWN ISIN Code: ZAE 000010583

For use by shareholders who hold shares in certificated form or have dematerialised their shares (ie have replaced the paper share certificates representing the shares with electronic records of ownership under the JSE's electronic settlement system (Strate Limited) and are recorded in the sub-register in "own name" dematerialised form) (ie shareholders who have specifically instructed their central securities depository participant (CSDP) to hold their shares in their own name).

Shareholders who have dematerialised their shares and are not registered as "own name" dematerialised shareholders and who wish to vote on the ordinary resolution, must provide their CSDP/broker with their voting instructions in terms of the custody agreement between them and the CSDP/broker in the stipulated manner and cut-off time.

WRITTEN CONSENT IN TERMS OF SECTION 60 OF THE COMPANIES ACT, 71 OF 2008, AS AMENDED ("COMPANIES ACT")

I/We (please print full names) _____

of (address) _____

Telephone number _____ Cellular phone number _____

Email address _____

Being the holder(s) of shares in the issued capital of the Company do hereby vote as follows:

	Number of shares		
	For	Against	Abstain
1. Ordinary Resolution RATIFICATION OF APPROVAL OF INTRA-GROUP AGREEMENTS APPROVED BY THE BOARD DESPITE THE PERSONAL INTEREST OF A JURISTIC PERSON RELATED TO TWO DIRECTORS			

Please indicate how you wish your votes to be cast in the appropriate box provided.

Signed on this _____ day of _____ 2015

Signature of member/s _____

Full name in block letters _____

Assisted by (where applicable) _____

ANNEXURE 2 NOTES

1. A person signing this Written Consent in a representative capacity must attach the documentary evidence establishing such authority to this form of Written Consent, unless previously recorded by the Company Secretary.
2. The Written Consent must be completed and signed in accordance with the instructions therein, and must be received by the Company's transfer secretaries, Computershare Investor Services Proprietary Limited, within 20 (twenty) business days of the date of receipt hereof at any one of the following addresses:
 - a. Physical address:
70 Marshall Street
Johannesburg, Gauteng
2000
 - b. Postal address:
PO Box 61051
Johannesburg
2107
 - c. Email address:
proxies@computershare.co.za
3. A certificated or "own-name" dematerialised shareholder's instructions on the form of Written Consent must be indicated by the insertion of the relevant number of votes exercisable by that shareholder in the appropriate box provided. A certificated or "ownname" dematerialised shareholder is not obliged to use all the votes exercisable by that shareholder, but the total number of votes cast and in respect of which abstention is recorded may not exceed the total number of votes exercisable by the certificated or "own-name" dematerialised shareholder.
4. The salient dates to be considered are as follows:
 - a. Record date for determining which shareholders will be entitled to receive this notice **Friday, 16 January 2015**
 - b. Record date for determining which shareholders are entitled to vote on the Ordinary Resolution contained in this notice **Friday, 30 January 2015**
 - c. Form of Written Consent to be received by the Company transfer secretaries by 12:00 **Friday, 27 February 2015**

CORPORATE INFORMATION

Howden Africa Holdings Limited

(Incorporated in the Republic of South Africa)

(Registration number 1996/002982/06)

JSE code: HWN

ISIN code: ZAE000010583

Registered office

1A Booyens Road

Booyens

South Africa

2019

(PO Box 2239, Johannesburg, 2000)

Telephone: +27 11 240 4000

Telefax: +27 11 493 0545

Transfer secretaries

Computershare Investor Services

Proprietary Limited

Ground Floor

70 Marshall Street

Johannesburg 2001

(PO Box 61051, Marshalltown 2107)

Sponsor

PricewaterhouseCoopers

2 Eglin Road

Sunninghill

2157

External auditors

Ernst & Young Inc.

102 Rivonia Road

Sandton

Johannesburg

2194

Shareholder contact information

Investor relations

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+27 11 240 4000

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Company Secretary

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