

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

The definitions and interpretation commencing on page 4 of this circular apply to this circular in its entirety, including these cover pages.

If you are in any doubt as to the action you should take, please consult your CSDP, banker, broker, sponsor, legal advisor, accountant or other professional advisor immediately.

General

1. If you have disposed of all your Aplitec ordinary shares, this circular, together with the attached form of proxy (grey), form of election (pink), trustees' mandate (white) and KYC forms for individuals (blue), trusts (yellow) and legal entities (green), should be handed to the purchaser of such Aplitec ordinary shares, or the broker, banker, or other agent through whom the disposal was effected.
2. You are advised to consult your professional advisor about your personal tax position regarding the advance distribution, the rescission offer and reinvestment option detailed in this circular.
3. Please log on to www.aplitec.co.za to assist you with any queries regarding the active transactions detailed in this circular.
4. For the purposes of this circular, all references to Aplitec ordinary shares and Aplitec shareholders shall be deemed to include references to both dematerialised and certificated Aplitec ordinary shares and Aplitec shareholders, unless otherwise indicated.
5. Please refer to the inside front cover for details of the action to be taken with respect to the rescission offer and the reinvestment election.



NET1 APPLIED TECHNOLOGY HOLDINGS LIMITED

(Incorporated in the Republic of South Africa)

(Registration number 1997/007207/06)

ISIN: ZAE000024113 Share code: APL

CIRCULAR TO APLITEC SHAREHOLDERS

regarding the

- **rescission offer;**
- **distribution to Aplitec shareholders, at the election of Aplitec shareholders, of either:**
 - **500 cents in cash per Aplitec ordinary share; or**
 - **190 cents in cash per Aplitec ordinary share and a reinvestment of 285 cents per Aplitec ordinary share in New Aplitec via the New Aplitec Participation Trust. In addition to this advance liquidation dividend, reinvesting shareholders will be granted, via the New Aplitec Participation Trust, the right to receive shares in NUEP, which will become the holding company of New Aplitec, in due course;**

and incorporating the following:

- **notice convening a general meeting of shareholders;**
- **form of proxy (grey);**
- **form of election (pink);**
- **trustees' mandate (white);**
- **KYC form – individual (blue);**
- **KYC form – trust (yellow); and**
- **KYC form – legal entity (green).**

This circular is issued together with the prospectus which was registered by the Registrar of Companies on 13 May 2004, in terms of section 155(1) of the Companies Act.

Corporate advisor to New Aplitec



Legal advisor to New Aplitec



PAUL BOTHA INC

Sponsor to Aplitec



Joint transaction sponsor



Sponsors (Pty) Ltd
(Registration number 2000/031843/07)

Legal advisor to Aplitec



Auditors and reporting accountants



Fisher Hoffman PKF (Jhb) Inc.
Chartered Accountants (SA)
Registered Accountants and Auditors
(Registration number 1994/001166/21)

Independent advisor
to the minority shareholders of Aplitec



RAND MERCHANT BANK

A division of FirstRand Bank Limited

CORPORATE FINANCE

Rescission offer

6. If you are a registered holder of certificated Aplitec ordinary shares or hold dematerialised Aplitec ordinary shares in your own name and are unable to attend the general meeting of Aplitec ordinary shareholders, which is to be held in the boardroom at 4th Floor, North Wing, President Place, corner Jan Smuts Avenue and Bolton Road, Rosebank at 08:30 on Monday, 7 June 2004 and wish to be represented thereat, you should complete and return the attached form of proxy (grey) in accordance with the instructions therein, and lodge it with the transfer secretaries of Aplitec, whose details are contained on page 1 of this circular, to be received by them by no later than 08:30 on Friday, 4 June 2004.
7. If you do not hold your dematerialised Aplitec ordinary shares in your own name, you must provide your CSDP or broker with your voting instructions in terms of the custody agreement entered into with your CSDP or broker. If you wish to attend the general meeting in person, then you will need to request your CSDP or broker to provide you with the necessary authority to attend and vote your Aplitec ordinary shares.
8. If you hold certificated Aplitec ordinary shares through a nominee you must provide your nominee with your voting instructions in terms of the custody agreement entered into with such nominee. If you wish to attend the general meeting in person, then you will need to request your nominee to provide you with the necessary authority to attend and vote your Aplitec ordinary shares.

Reinvestment election

9. The announcement of the outcome of the rescission offer will be released on SENS on Monday, 7 June 2004 and published in the press on Tuesday, 8 June 2004. If the holders of a majority of the issued Aplitec ordinary shares **VOTE FOR** (i.e. accept) the rescission offer, the active transactions will not be consummated and the election period will not open. If the holders of a majority of the issued Aplitec ordinary shares **VOTE AGAINST** (i.e. do not accept) the rescission offer, the active transactions will be consummated, subject to the waiver or fulfilment of any unfulfilled suspensive conditions and the election period will open.
10. The manner in which Aplitec shareholders are required to make their elections will vary depending on the form in which they hold their Aplitec ordinary shares. This is outlined below:
11. **With regard to the election of the reinvestment option, Aplitec shareholders should note that their new investment will have a different risk/reward and liquidity profile to that of their current investment in Aplitec and, accordingly, they should consider the enclosed prospectus and NUEP Offering Document as well. In this regard, Aplitec shareholders should seek the advice of their professional advisors.**
12. **In the event that any Aplitec shareholder fails to indicate his election for the reinvestment option, such Aplitec shareholder shall be deemed to have elected to receive the cash option as detailed in this circular.**
13. **All Aplitec shareholders who elect the reinvestment option are required to complete and return, or ensure that their nominee or broker completes and returns, the relevant KYC form for individuals (blue), trusts (yellow) or legal entities (green) in terms of FICA and must also sign and return, or ensure that their nominee or broker signs and returns, the trustees' mandate (white). Aplitec shareholders should note that by electing the reinvestment option, they will be deemed to have accepted the terms of the trustees' mandate (white).**
14. **A USA resident Aplitec shareholder, by virtue of his signature of the trustees' mandate (white), shall have given written notice causing the occurrence of a trigger event as a consequence of which, the trustees shall distribute the applicable NUEP common stock to such shareholder.**
15. **If a reinvesting shareholder fails to complete and return the relevant documentation accurately, such reinvesting shareholder will not be issued with a unit statement, nor will such reinvesting shareholder receive any benefits that accrue nor be entitled to transact until such time as the relevant documentation is properly completed and returned in accordance with the instructions contained herein.**

Certificated Aplitec ordinary shares – held in own name

16. Certificated shareholders, who hold their Aplitec ordinary shares in their own name, are required to:
 - 16.1 indicate on the attached form of election (pink) the total number of Aplitec ordinary shares held and the number of Aplitec ordinary shares for which they elect to receive the reinvestment option; and
 - 16.2 if they elect the reinvestment option in respect of all or part of their Aplitec ordinary shares, complete and return the attached trustees' mandate (white); and
 - 16.3 if they elect the reinvestment option in respect of all or part of their Aplitec ordinary shares, complete and return the relevant KYC form for individuals (blue), trusts (yellow) or legal entities (green).
17. The form of election (pink) must be received by the transfer secretaries, whose details are contained on page 1 of this circular, by 12:00 on Friday, 25 June 2004 in order to ensure that the Aplitec shareholder's election is implemented.
18. The trustees' mandate (white) and relevant KYC form for individuals (blue), trusts (yellow) or legal entities (green) must be returned to the transfer secretaries.
19. Aplitec accepts no responsibility for verifying the number of Aplitec ordinary shares indicated on the form of election (pink).

Certificated Aplitec ordinary shares – held through a nominee

20. Certificated shareholders, who hold their Aplitec ordinary shares through a nominee, are required to:
 - 20.1 notify their duly appointed nominee of their election for the reinvestment option in the manner and time stipulated in the custody agreement governing the relationship between the Aplitec shareholder and their nominee; and
 - 20.2 if they elect the reinvestment option in respect of all or part of their Aplitec ordinary shares, complete and return, or ensure that their nominee completes and returns, the attached trustees' mandate (white); and
 - 20.3 if they elect the reinvestment option in respect of all or part of their Aplitec ordinary shares, complete and return, or ensure that their nominee completes and returns, the relevant KYC form for individuals (blue), trusts (yellow) or legal entities (green).
21. The trustees' mandate (white) and relevant KYC form for individuals (blue), trusts (yellow) or legal entities (green) must be received by the transfer secretaries via the certificated shareholder's nominee.
22. Certificated shareholders, whose Aplitec ordinary shares are held through a nominee, must NOT complete the attached form of election (pink).

Dematerialised Aplitec ordinary shares

23. Dematerialised shareholders are required to:
 - 23.1 notify their duly appointed CSDP or broker of their election for the reinvestment option in the manner and time stipulated in the custody agreement governing the relationship between the Aplitec shareholder and their CSDP or broker; and
 - 23.2 if they elect the reinvestment option in respect of all or part of their Aplitec ordinary shares, complete and return, or ensure that their broker completes and returns, the attached trustees' mandate (white). A CSDP may NOT complete a trustees' mandate (white) but must ensure that the beneficial shareholder is provided with same; and
 - 23.3 if they elect the reinvestment option in respect of all or part of their Aplitec ordinary shares, complete and return, or ensure that their broker completes and returns, the relevant KYC form for individuals (blue), trusts (yellow) or legal entities (green). A CSDP may NOT complete a KYC form for individuals (blue), trusts (yellow) or legal entities (green) but must ensure that the beneficial shareholder is provided with same.
24. The trustees' mandate (white) and relevant KYC form for individuals (blue), trusts (yellow) or legal entities (green) must be received by the transfer secretaries via the dematerialised shareholder's CSDP or broker.
25. Dematerialised shareholders must NOT complete the attached form of election (pink).

Corporate information

Secretary and registered office of Aplitec

Light & Livingstone Financial Services CC
(Registration number 1989/039112/23)
3rd Floor, Palm Grove
196 Louis Botha Avenue
Houghton Estate, 2198
(PO Box 46079, Orange Grove, 2119)

Sponsor to Aplitec¹

Merrill Lynch South Africa (Proprietary) Limited
(Registration number 1995/001805/07)
138 West Street
Sandown, Sandton, 2196
(PO Box 651987, Benmore, 2010)

Auditors and reporting accountants

Fisher Hoffman PKF (Jhb) Inc.
(Registration number 1994/001166/21)
FHS House
15 Girton Road
Parktown, 2193
(Private Bag X30500, Houghton, 2041)

Legal advisor to Aplitec

Cliffe Dekker Inc.
(Registration number 1998/018173/21)
4th Floor
1 Protea Place
Sandown, Sandton, 2196
(Private Bag X7, Benmore, 2010)

Independent advisor to the minority shareholders of Aplitec

Rand Merchant Bank Corporate Finance
a division of FirstRand Bank Limited
(Registration number 1929/001225/06)
1 Merchant Place
Corner Fredman Drive and Rivonia Road
Sandton, 2196
(PO Box 786273, Sandton, 2146)

Registered office of New Aplitec

9 Fricker Road
Illovo Boulevard
Illovo, Sandton, 2196
(Private Bag X1, Northlands, 2116)

Corporate advisor to New Aplitec

Brait Corporate Finance,
a division of Brait South Africa Limited
(Registration number 1960/003893/06)
2nd Floor
9 Fricker Road
Illovo Boulevard
Illovo, Sandton, 2196
(Private Bag X1, Northlands, 2116)

Legal advisor to New Aplitec

Paul Botha Inc.
(Registration number 1998/002350/21)
23 Lystanwold Drive
Saxonwold, 2196
(PO Box 411761, Craighall, 2024)

Joint transaction sponsor

Ernst & Young Sponsors (Proprietary) Limited
(Registration number 2000/031843/07)
Wanderers Office Park
52 Corlett Drive
Illovo, Sandton, 2196
(PO Box 2322, Johannesburg, 2000)

Transfer secretaries to Aplitec

Ultra Registrars (Proprietary) Limited
(Registration number 2000/007239/07)
5th Floor, 11 Diagonal Street
Johannesburg, 2001
(PO Box 4844, Johannesburg, 2000)

¹Merrill Lynch South Africa (Proprietary) Limited ("Merrill Lynch SA") is acting as sponsor to Aplitec (and no other party) in connection with the active transactions. Neither Merrill Lynch SA nor its subsidiaries or its holding companies nor the subsidiaries of such holding companies ("the Merrill Lynch Group") have any relationship with New Aplitec, NUEP, or any of their subsidiaries or associates, other than as sponsor to Aplitec. Merrill Lynch SA or any other member of the Merrill Lynch Group in acting as sponsor to Aplitec will not be responsible or liable to any other party. The responsibilities of a sponsor in respect of a company listed on the JSE are set out in paragraphs 2.7 and 2.8 of Section 2 of the JSE Listings Requirements and do not confer any rights or remedies upon any holder of Aplitec ordinary shares.

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KYC form – legal entity (green)	Attached

Copies of this circular may be obtained from the registered office of Aplitec, 3rd Floor, Palm Grove, 196 Louis Botha Avenue, Houghton Estate, 2198 (PO Box 46079, Orange Grove, 2119), the office of Aplitec's sponsor, Merrill Lynch South Africa (Proprietary) Limited, 138 West Street, Sandown, Sandton, 2196 (PO Box 651987, Benmore, 2010), the office of New Aplitec's corporate advisor, Brait Corporate Finance, a division of Brait South Africa Limited, 9 Fricker Road, Illovo Boulevard, Illovo, Sandton, 2196 (Private Bag X1, Northlands, 2116) and the office of the joint transaction sponsor, Ernst & Young Sponsors (Proprietary) Limited, Wanderers Office Park, 52 Corlett Drive, Illovo, Sandton, 2196 (PO Box 2322, Johannesburg, 2000), as well as from all other broking members of the JSE.

Important dates and times

2004

Circular containing the notice of the general meeting posted together with the prospectus and the NUEP Offering Document to Aplitec shareholders on	Monday, 17 May
Last day for receipt of forms of proxy (grey) from Aplitec shareholders for the general meeting by no later than 08:30 on	Friday, 4 June
General meeting to be held at 08:30 on	Monday, 7 June
Announcement of the results of the general meeting and declaration data, finalisation information and announcement of the fulfilment or waiver of the suspensive conditions released on SENS on	Monday, 7 June
Announcement of the results of the general meeting and declaration data, finalisation information and announcement of the fulfilment or waiver of the suspensive conditions published in the press on	Tuesday, 8 June
Election opens at commencement of business on (see note 1)	Tuesday, 8 June
Last day to trade in Aplitec ordinary shares in order to be recorded in the shareholders' register of Aplitec as an Aplitec shareholder on the record date on	Friday, 18 June
Suspension of the listing of Aplitec ordinary shares on the JSE at commencement of business on	Monday, 21 June
Election closes at 12:00 on (see notes 2 and 3)	Friday, 25 June
Record date for purposes of the advance distribution on	Friday, 25 June
Electronic transfer of funds or cheques posted by ordinary post to certificated shareholders on	Wednesday, 30 June
Dematerialised shareholders' accounts held at their CSDP or broker credited and/or updated on	Wednesday, 30 June
Renunciation of RLA's to the New Aplitec Participation Trust, unit statements issued and posted, by registered post, to reinvesting shareholders, provided complete and accurate trustees' mandates (white) and relevant KYC form for individuals (blue), trusts (yellow) or legal entities (green) have been received by the transfer secretaries, on	Wednesday, 30 June
Termination of the listing of Aplitec ordinary shares on the JSE at commencement of business on	Thursday, 1 July

Notes:

1. The election will only open if the holders of a majority of the issued Aplitec ordinary shares **VOTE AGAINST** (i.e. do not accept) the rescission offer and the active transactions are consummated subject to the satisfaction of any unfulfilled suspensive conditions.
2. Dematerialised shareholders are required to notify their duly appointed CSDP or broker of their election in the manner and time stipulated in the agreement governing the relationship between the Aplitec shareholder and the CSDP or broker.
3. Certificated shareholders, whose Aplitec ordinary shares are held through a nominee, are required to notify their duly appointed nominee of their election in the manner and time stipulated in the agreement governing the relationship between the Aplitec shareholder and the nominee.
4. All references to dates and times in this circular are to South African dates and times unless otherwise stated.
5. The JSE has introduced the STRATE system for all share transactions concluded on the JSE. Accordingly, Aplitec ordinary share certificates need to first be dematerialised before Aplitec shareholders will be able to trade in the Aplitec ordinary shares concerned. Aplitec shareholders are advised to contact a CSDP or broker to make the necessary practical arrangements for dematerialisation if they wish to trade in their Aplitec ordinary shares prior to the last day to trade. The dematerialisation of Aplitec ordinary shares may take up to 10 days to be finalised once an Aplitec shareholder has made the necessary arrangements with the CSDP or broker.
6. **No Aplitec ordinary share certificates may be dematerialised or rematerialised after Friday, 18 June 2004.**
7. The above dates and times are subject to amendment. Any amendment to the dates and times will be announced on SENS and published in the press.

Definitions and interpretation

In this circular, unless otherwise stated or the context otherwise requires, the words in the first column have the meanings stated opposite them in the second column. Cognate expressions bear corresponding meanings, words denoting one gender shall import and include the others, natural persons shall import and include juristic persons and *vice versa* and the singular shall import and include the plural and *vice versa*.

“A class loans”	A class loans owing by New Aplitec to NUEP;
“active transactions”	collectively, the disposal, the advance distribution, the delisting and the voluntary winding-up, all of which were approved by Aplitec shareholders at the general meeting held on Tuesday, 9 December 2003;
“advance distribution” or “distribution”	cash option or that portion of the reinvestment option to be distributed as an advance liquidation dividend and which will be the only distributions made by Aplitec;
“Aplitec”	Net1 Applied Technology Holdings Limited (Registration number 1997/007207/06), a public company incorporated in South Africa on 14 May 1997 under the name Javelin Housing (Proprietary) Limited, which name was changed on 12 September 1997 and the shares of which are currently listed on the JSE;
“Aplitec Group”	Aplitec and all its subsidiaries;
“Aplitec Holdings Participation Trust”	Aplitec Holdings Participation Trust, a “STAR” or purpose trust created under Part VIII of the Trust Law (2001 Revision) of the Cayman Islands;
“Aplitec ordinary shares”	ordinary shares of 0,1 cent each in the share capital of Aplitec;
“Aplitec shareholders”	registered holders of Aplitec ordinary shares;
“B class loans”	B class loans owing by New Aplitec having the rights set out in paragraph 9.5 of this circular;
“Board” or “the Directors”	the board of directors of Aplitec, being Dr Serge Christian Pierre Belamant and Messrs Herman Gideon Kotze, Jeffrey Charles Livingstone, Barry John Stuart Hore and Derek Geoffrey Sidney Muller;
“Brait”	Brait S.A., a company incorporated in Luxembourg whose shares are quoted on the Luxembourg and London stock exchanges and the JSE;
“Brait Consortium”	Brait Group and funds under the management of Southern Cross Capital Limited and FF&P Asset Management Limited;
“Brait Group”	Brait and its subsidiary, affiliate and associate companies and/or funds under its management, which are funded by South African and USA institutional investors;
“cash option”	an advance liquidation dividend comprising a cash payment of 500 cents per Aplitec ordinary share made to Aplitec shareholders recorded as such in the shareholders’ register of Aplitec on the record date;
“Cash Paymaster”	Cash Paymaster Services (Proprietary) Limited (Registration number 1971/007195/07), a private company incorporated in South Africa and a wholly-owned subsidiary of Aplitec prior to the disposal;
“cents” or “SA cents”	South African cents;
“certificated shareholders”	Aplitec shareholders who have not elected to convert their certificated Aplitec ordinary shares to uncertificated form under STRATE;
“CGT”	Capital Gains Tax levied in terms of the Income Tax Act;

“circular”	this circular published and circulated on Monday, 17 May 2004, comprising the circular to Aplitec shareholders and all the annexures and attachments hereto;
“closing date”	the closing date or date for delivery in terms of the relevant agreements but, in any event, no later than Wednesday, 30 June 2004;
“common monetary area”	South Africa, the Republic of Namibia and the Kingdoms of Lesotho and Swaziland;
“Companies Act”	Companies Act, 1973 (Act 61 of 1973), as amended;
“CSDP”	Central Securities Depository Participant appointed by an Aplitec shareholder for purposes of and in regard to the dematerialisation of Aplitec ordinary shares;
“declaration data”	the minimum information to be announced on the declaration date;
“declaration date”	Monday, 7 June 2004;
“delisting”	the delisting of the Aplitec ordinary shares from the JSE;
“dematerialisation”	process whereby share certificates, certificated transfer deeds, balance receipts and any other documents of title to shares in a tangible form are dematerialised into electronic records for purposes of STRATE;
“dematerialised shareholders”	Aplitec shareholders who have dematerialised their Aplitec ordinary shares with a CSDP by converting their certificated Aplitec ordinary shares to uncertificated form under STRATE;
“disposal”	the disposal by Aplitec to New Aplitec of the entire undertaking of Aplitec, comprising: <ul style="list-style-type: none"> – all of the assets and liabilities of Net1 Investment; – all of the assets and liabilities of Net1 Support, excluding dormant subsidiaries; – all of the shares in and claims on loan account against Cash Paymaster; – all of the shares in and claims on loan account against Net1 Finance; – all of the shares in and claims on loan account against Net1 Southern Africa; and – all of the assets and liabilities of Aplitec not acquired above, excluding any dormant subsidiaries of Aplitec and ZAR300 million in cash plus so much extra cash of Aplitec as is equal to 25 cents for each Aplitec ordinary share in respect of which Aplitec shareholders elect the cash option;
“disposal agreement”	agreement concluded between New Aplitec, Aplitec, Net1 Investment and Net1 Support on 31 October 2003, containing the terms and conditions of the disposal;
“distribution ratio”	the ratio in which the NUEP special convertible preference shares will be distributed on the occurrence of a trigger event, being 0,814286 NUEP special convertible preference shares for every one New Aplitec B class preference share and one New Aplitec B class loan. If, after the closing date, NUEP consolidates or sub-divides the NUEP common stock, the NUEP special convertible preference shares will be consolidated or sub-divided in the same proportion and the distribution ratio shall be adjusted accordingly;
“effective date”	first business day after the date of fulfilment or waiver of the last of the suspensive conditions;
“election date”	the time and date by which all elections to receive the cash option or the reinvestment option must have been received by the transfer secretaries, which time and date is 12:00 on Friday, 25 June 2004;

“enforcer”	an individual who or entity which oversees the actions of the trustees of a Cayman trust to ensure compliance with the terms of the trust deed;
“FF&P Asset Management Limited”	FF&P Asset Management Limited is a wholly-owned subsidiary of Fleming Family & Partners Limited, an independent, privately owned investment house, managing funds and trusts for its clients and making direct investments. FF&P Asset Management Limited is authorised and regulated by the Financial Services Authority in the United Kingdom;
“FICA”	Financial Intelligence Centre Act, 2001 (Act 38 of 2001), as amended;
“finalisation date”	Thursday, 10 June 2004;
“finalisation information”	finalisation information on the corporate action to be included in the announcement on the finalisation date;
“FTS”	Funds Transfer System technology which: <ul style="list-style-type: none"> – specifies a method by which funds can be transferred from one smart card to another in a secure off-line manner; – manages how cards are loaded and reloaded with funds; and – manages how funds can be redeemed for value in a banking or non-banking environment;
“folder”	the folder which encloses and incorporates this circular, the prospectus and the NUEP Offering Document;
“GAAP”	Statements of Generally Accepted Accounting Practice;
“general meeting”	the general meeting of Aplitec shareholders to be held in the boardroom at 4th Floor, North Wing, President Place, corner Jan Smuts Avenue and Bolton Road, Rosebank at 08:30 on Monday, 7 June 2004;
“Income Tax Act”	Income Tax Act, 1962 (Act 58 of 1962), as amended;
“JSE”	JSE Securities Exchange South Africa;
“KYC form”	know your client form which is required to be completed in terms of the “know your client” requirements of FICA and intended to elicit the information and documentation necessary to enable accountable institutions, including the trustees, to establish and verify the identity of their clients in compliance with FICA;
“last day to trade”	close of business on Friday, 18 June 2004, being the last day to trade in Aplitec ordinary shares to be recorded as an Aplitec shareholder in the shareholders’ register of Aplitec on the record date;
“last practicable date”	Tuesday, 11 May 2004, being the last practicable date prior to the finalisation of this circular;
“Lux Newco SARL”	NUEP Holdings SARL, a Luxembourg company which name changed from Tabula Holdings Ten SARL on 30 January 2004. NUEP Holdings SARL will be held 100% by NUEP and will hold the intellectual property and contracts acquired in terms of an asset purchase agreement dated 30 January 2004;
“Net1 Finance”	Net1 Finance Holdings (Proprietary) Limited (Registration number 1998/020801/07), a private company incorporated in South Africa and a wholly-owned subsidiary of Aplitec prior to the disposal;
“Net1 Holdings”	Net1 Holdings SARL (Registration number 14933), a 1929 company incorporated in Luxembourg;
“Net1 Investment”	Net1 Investment Holdings (Proprietary) Limited (Registration number 1995/003030/07), a private company incorporated in South Africa and a wholly-owned subsidiary of Aplitec;
“Net1 Southern Africa”	Net1 Southern Africa (Proprietary) Limited (Registration number 1989/006037/07), a private company incorporated in South Africa and a wholly-owned subsidiary of Aplitec prior to the disposal;

“Net1 Support”	Net1 Support Services (Proprietary) Limited (Registration number 1997/009292/07), a private company incorporated in South Africa and a wholly-owned subsidiary of Aplitec;
“New Aplitec”	Net1 Applied Technologies South Africa Limited (Registration number 2002/031446/06), a public company initially incorporated in South Africa as a private company under the name Newshelf 713 (Proprietary) Limited, which company was subsequently converted to a public company on 13 February 2004;
“New Aplitec A class shares”	ordinary shares of 0,1 cent each in the share capital of New Aplitec;
“New Aplitec B class preference shares”	preference shares of 0,1 cent each in the capital of New Aplitec having the rights set out in paragraph 9.4 of this circular;
“New Aplitec Participation Trust”	New Aplitec Participation Trust (Masters reference number IT8094/03), a South African bewind trust;
“NUEP”	Net1 UEPS Technologies, Inc. (IRS Employer Identification No. 65-0903895), a company incorporated in the State of Florida, USA and quoted on the OTC Bulletin Board;
“NUEP common stock”	common stock of 0,1 US cent each in the share capital of NUEP. Common stock is equivalent to ordinary shares in the South African context;
“NUEP Offering Document”	the collective reference to: <ul style="list-style-type: none"> (i) the NUEP proxy statement complying with the US Securities Exchange Act of 1934 as amended, issued to NUEP common stockholders in connection with the NUEP shareholder vote; and (ii) the NUEP prospectus complying with the US Securities Act of 1933, as amended, circulated to Aplitec shareholders in connection with the reinvestment option and posted with this circular;
“NUEP special convertible preference shares”	special convertible preferred stock of 0,1 US cent each in the share capital of NUEP as set out in paragraph 10.2 of this circular and having the rights set out in paragraph 10.3 of this circular;
“OTC Bulletin Board”	a regulated quotation service in the USA that displays real time quotes, last traded prices and volume information on participating over-the-counter securities;
“prospectus”	the New Aplitec prospectus issued to Aplitec shareholders in terms of section 145 of the Companies Act in connection with the reinvestment option and posted with this circular;
“record date”	close of business on Friday, 25 June 2004, being the last day for Aplitec shareholders to be recorded as such in the shareholders’ register of Aplitec in order to participate in the advance distribution;
“reinvestment option”	an advance liquidation dividend comprising a cash payment of 190 cents per Aplitec ordinary share and the crediting of a 285 cents investment in New Aplitec via the New Aplitec Participation Trust to reinvesting shareholders registered as such on the record date, as detailed in paragraph 3.4 of this circular. In addition to this advance liquidation dividend, reinvesting shareholders will be granted, via the New Aplitec Participation Trust, a right to receive, as fully paid-up, NUEP special convertible preference shares, as detailed in paragraph 3.4 of this circular, in the distribution ratio in due course. The reinvestment option has been fixed at an exchange rate of ZAR7 : USD1 which was the exchange rate used to determine the number of NUEP special convertible preference shares to be issued to the Aplitec Holdings Participation Trust;
“reinvestment proceeds”	the non-cash portion of the reinvestment option;

“reinvesting shareholders”	Aplitec shareholders who elect the reinvestment option and/or the Brait Group, as underwriter;
“rescission offer”	the offer to Aplitec shareholders to rescind any acceptance of NUEP securities that may have occurred on Tuesday, 9 December 2003, in connection with the vote to approve the disposal;
“RLA”	nil paid renounceable letter of allocation issued by New Aplitec to Aplitec and distributed <i>in specie</i> by Aplitec to reinvesting shareholders, which will be deemed to be renounced by reinvesting shareholders in favour of the New Aplitec Participation Trust;
“RMB”	Rand Merchant Bank Corporate Finance, a division of FirstRand Bank Limited (Registration number 1929/001225/06), a public company incorporated in South Africa;
“SEC”	the US Securities and Exchange Commission;
“SA GAAP”	South African GAAP;
“Section 228 circular”	explanatory circular issued to Aplitec shareholders on Monday, 17 November 2003 comprising the circular to Aplitec shareholders and all the annexures and attachments thereto;
“SENS”	Securities Exchange News Service of the JSE;
“South Africa”	Republic of South Africa;
“Southern Cross Capital Limited”	Southern Cross Capital Limited manages a number of private equity funds in which various Oppenheimer family interests are investors and is authorised and regulated by the Financial Services Authority in the United Kingdom;
“SRP”	Securities Regulation Panel, established in terms of section 440B of the Companies Act;
“STC”	Secondary Tax on Companies levied in terms of the Income Tax Act;
“STRATE”	STRATE Limited, a clearing and settlement system for share transactions to be settled and the transfer of ownership to be recorded electronically (Registration number 1998/022242/06), a public company incorporated in South Africa and a registered central securities depository;
“sub-committee of the Board”	the sub-committee of the Board appointed in terms of a resolution of the Board passed on 9 October 2003, namely: Messrs Jeffrey Charles Livingstone and Derek Geoffrey Sidney Muller;
“surrounding territories”	the common monetary area, Botswana, Mozambique and Zimbabwe;
“suspensive conditions”	suspensive conditions relating to the disposal as detailed in paragraph 4 of the Section 228 circular;
“transfer secretaries”	Ultra Registrars (Proprietary) Limited (Registration number 2000/007239/07), a private company incorporated in South Africa;
“trigger event”	a trigger event occurs when a unit holder gives notice to the New Aplitec Participation Trust in writing of his intention to convert some or all of his New Aplitec B class preference shares and B class loans attributable to him held by the New Aplitec Participation Trust. A trigger event also includes: <ul style="list-style-type: none"> – the abolition or relaxation of Exchange Control by the South African Reserve Bank to permit reinvesting shareholders to hold NUEP common stock directly; – the winding-up or placing under judicial management, whether provisionally or finally, of New Aplitec; or – the winding-up or placing under judicial management, whether provisionally or finally, of NUEP;

“trustees”	the trustees for the time being of the New Aplitec Participation Trust;
“UEPS”	Universal Electronic Payment Systems (version 10 and any further releases) which is a suite of computer programmes that incorporates the FTS to deliver a fully integrated payment and settlement system suitable for multiple applications;
“unit”	a unit in the New Aplitec Participation Trust, which unit will be granted to reinvesting shareholders on the basis of one unit per Aplitec ordinary share in respect of which the reinvestment option is elected. Each unit will represent the unit holder’s interest in one New Aplitec B class preference share issued at 183,996 cents per share, one B class loan of 101,004 cents and a right to receive NUEP special convertible preference shares in the distribution ratio in due course;
“unit holder”	an Aplitec shareholder or the Brait Group who will become a beneficiary of the New Aplitec Participation Trust by virtue of his election of the reinvestment option or the underwriting of the reinvestment option, respectively;
“unit statement”	a statement to be issued by the trustees to each unit holder reflecting his interest in the New Aplitec Participation Trust, which statement shall initially be issued upon receipt by the trustees of all relevant completed documentation required in terms of this circular and bi-annually thereafter;
“US Securities Act”	the USA Securities Act of 1933 as amended;
“USA”	United States of America;
“US cents”	USA cents;
“voluntary winding-up”	the winding-up of Aplitec by way of a members’ voluntary winding-up; and
“ZAR”	South African Rand.



NET1 APPLIED TECHNOLOGY HOLDINGS LIMITED

(Incorporated in the Republic of South Africa)

(Registration number 1997/007207/06)

ISIN: ZAE000024113 Share code: APL

Directors

Dr Serge Christian Pierre Belamant † (*Chief Executive Officer*)

Herman Gideon Kotzé

Jeffrey Charles Livingstone *

Barry John Stuart Hore *

Derek Geoffrey Sidney Muller *

*Non-executive

†French

Circular to Aplitec shareholders

1. INTRODUCTION

- 1.1** On Thursday, 30 October 2003 a comprehensive terms announcement was released on SENS regarding:
- 1.1.1** the disposal of the entire undertaking of Aplitec to New Aplitec in terms of section 228 of the Companies Act;
 - 1.1.2** the advance distribution to Aplitec shareholders by way of either:
 - 1.1.2.1** the cash option; or
 - 1.1.2.2** the reinvestment option; and
 - 1.1.3** the voluntary winding-up and delisting of Aplitec.
- 1.2** On Monday, 17 November 2003, the Section 228 circular was issued to Aplitec shareholders detailing the active transactions and including a notice of general meeting and a related form of proxy. Given that the above matters were comprehensively dealt with in the Section 228 circular, it is not appropriate for the entire text thereof to be repeated in this circular and Aplitec shareholders are referred to that document should the summary outlined later herein not be considered sufficiently descriptive. Furthermore, please log on to www.aplitec.co.za to assist you with any queries regarding the active transactions detailed in this circular.
- 1.3** On Tuesday, 9 December 2003, the ordinary and special resolutions required to implement the active transactions were passed by Aplitec shareholders at that general meeting.
- 1.4** New Aplitec was converted from a private to a public company on Friday, 13 February 2004.
- 1.5** By agreement between Aplitec and New Aplitec, the date for the fulfillment or waiver of the suspensive conditions has been extended from 31 May 2004 to 8 June 2004.

2. RATIONALE FOR THE DISPOSAL AND THE REINVESTMENT OPTION

2.1 Rights to the FTS patents and UEPS technology with respect to Aplitec and NUEP

- 2.1.1** Aplitec owns the exclusive rights to market and sell the UEPS technology and the right to licence the FTS patent in South Africa and its surrounding territories.
- 2.1.2** NUEP owns the exclusive rights to market and sell the UEPS technology in the rest of the world excluding South Africa and its surrounding territories and the right to licence the use of the USA FTS patent.

2.1.3 During the last five years, Aplitec has implemented numerous UEPS systems in South Africa and its surrounding territories. As a result, Aplitec has developed the unique skills required to perform UEPS implementations successfully and to develop business plans that ensure the financial success of these initiatives. Aplitec has continued to develop the UEPS and derivative applications that meet the needs of both its customers and its own business ventures. Over the last two years, Aplitec has exported some of these applications to countries outside its designated territory under a distribution agreement with NUEP.

2.1.4 Since Aplitec's listing in October 1997, NUEP has been unable to raise sufficient capital that it requires to implement its business model as most potential clients or investors require, as proof of concept, at least one successful implementation. NUEP therefore entered into a distribution agreement with Net1 Investment, which appointed it as NUEP's UEPS integrator for all territories, excluding South Africa and its surrounding territories.

2.2 Aplitec and NUEP integration

2.2.1 To address the conflict of interest between Aplitec and NUEP, Aplitec's management has analysed a number of alternative solutions.

2.2.2 Aplitec's management concluded that the most acceptable model to all stakeholders would entail that the future potential benefit of the technology would accrue fairly between the two groups. This could only be achieved by effectively merging the two entities in a way in which all existing shareholders could participate and thus be on an equal footing.

2.2.3 The disposal is a significant step in a series of inter-linked transactions as detailed in this circular, that will have the effect of creating a global group positioned to develop the UEPS and FTS technologies on a world-wide basis by combining the rights to the technologies held by Aplitec and NUEP.

2.2.4 As a result, the business plans of Aplitec and NUEP will be combined into a model that will maximise the short, medium and long-term profitability.

2.2.5 The newly developed business model is based on the following principles:

- the combined group will replicate the Aplitec business model in as many developing countries as possible;
- the combined group will retain a significant ownership in all new "Aplitecs" created in these developing countries;
- licence fees or royalties will be levied on all transactions which use the technology;
- licence fees or royalties will be levied on all system developers who make use of the technology, whether directly or indirectly;
- licence fees or royalties will be levied on all manufacturers of equipment that manufacture products that make use of the technology;
- the combined group will develop its own complementary businesses that utilise and apply the UEPS technology and provide higher income generating potential than from third party licence fees or royalties;
- once critical mass has been achieved in a number of developing countries, the combined group may become the international exchange avenue for its participants, similar to other payment gateways; and
- the Net1 brand will be recognised as the payment brand of choice for the developing world.

2.2.6 To achieve the above objectives the following synergies between Aplitec and NUEP should be achieved:

- the FTS and UEPS technological rights must be consolidated into one group in order to prevent any future conflicts of interest and allow a single point of access through which value can be unlocked;
- the combined group should have the opportunity to be traded on an internationally recognised market in order to:
 - attract the initial funds and investors required to facilitate the active transactions;
 - attract future funds from large international institutional investors as and when required;

- provide the combined group with the credibility that is often linked to an international listing and thus allow the combined group to compete effectively in global markets; and
- provide the combined group with a suitable rating to raise capital on favourable terms;
- the South African operations of the combined group housed under New Aplitec will:
 - remain the developing entity for the technology;
 - remain, as far as possible, the test bed for new products or technological innovations;
 - remain the support and maintenance entity for the technology; and
 - remain the centre for excellence for the implementation of UEPS-based systems;
- the management efforts of Aplitec and NUEP must be combined to jointly operate the combined group; and
- the revised business plan mentioned above should be implemented as soon as possible.

2.2.7 The active transactions as described in this circular have the ability to facilitate the above and allow the combined group to compete in the world-wide arena.

3. THE DISPOSAL AND ADVANCE DISTRIBUTION

3.1 Background to the disposal

The Aplitec shareholders approved the disposal at the general meeting held on Tuesday, 9 December 2003 as required by section 228 of the Companies Act and Section 9.22 of the Listings Requirement of the JSE.

3.2 The disposal and purchase price

3.2.1 The entire undertaking of Aplitec will be disposed of to New Aplitec, as follows:

- all of the assets and liabilities of Net1 Investment;
- all of the assets and liabilities of Net1 Support, excluding dormant subsidiaries;
- all of the shares in and claims on loan account against Cash Paymaster;
- all of the shares in and claims on loan account against Net1 Finance;
- all of the shares in and claims on loan account against Net1 Southern Africa; and
- all of the assets and liabilities of Aplitec not acquired above, excluding any dormant subsidiaries of Aplitec and ZAR300 million in cash plus so much extra cash of Aplitec as is equal to 25 cents for each Aplitec ordinary share in respect of which Aplitec shareholders elect the cash option as detailed in paragraph 3.2.2 below.

3.2.2 Subject to what is set out in paragraph 3.2.3 below, the net purchase price for the disposal is ZAR825 641 638,25. Subject to the **VOTE AGAINST** (i.e. the non-acceptance of) the rescission offer by the holders of a majority of the issued Aplitec ordinary shares and the registration of the special resolution required for Aplitec's voluntary winding-up, this disposal consideration together with the cash retained in Aplitec as set out in paragraph 3.2.1 above will result in a distribution, in the form disclosed in paragraph 3.3.1 below, to Aplitec shareholders of either:

- 500 cents per Aplitec ordinary share in respect of those Aplitec shareholders who elect the cash option; or
- 475 cents per Aplitec ordinary share in respect of those Aplitec shareholders who elect the reinvestment option.

3.2.3 The advance distribution shall be after taking into account any costs which the Aplitec Group may incur in connection with the disposal and its subsequent winding-up, including but not limited to any STC payable on the advance distribution to Aplitec shareholders, any income tax, any CGT or other taxes payable by the Aplitec Group and transaction costs, but excluding personal taxes payable by Aplitec shareholders. In addition, as part of the purchase price, New Aplitec will assume all liabilities of the Aplitec Group. Furthermore, New Aplitec will bear all costs of the active transactions.

- 3.2.4** The net purchase price is payable, on the closing date, in cash or in cash and an investment in New Aplitec in the form of New Aplitec B class preference shares and B class loans. In addition to the net purchase price, reinvesting shareholders will be granted the right, via the New Aplitec Participation Trust, to receive, for no additional consideration, NUEP special convertible preference shares in the distribution ratio on the occurrence of a trigger event.
- 3.2.5** The payment of the purchase price relating to the investment in the New Aplitec B class preference shares and B class loans will be made in the form of RLA's issued by New Aplitec to Aplitec based on the elections detailed in paragraph 3.3.2 below.
- 3.2.6** Settlement of the consideration to which any Aplitec shareholder is entitled will be implemented in full without regard to any lien, rights of set-off, counterclaim or other analogous right to which New Aplitec may otherwise be, or claims to be, entitled against such Aplitec shareholder.
- 3.2.7** Aplitec has given no warranties or indemnities to New Aplitec as New Aplitec has assumed all of the liabilities of Aplitec.

3.3 Advance distribution

- 3.3.1** Subject to the **VOTE AGAINST** (i.e. the non-acceptance of) the rescission offer by the holders of a majority of the issued Aplitec ordinary shares and the registration of the special resolution required for Aplitec's voluntary winding-up, Aplitec will, on Wednesday, 30 June 2004, distribute the advance distribution to Aplitec shareholders recorded as such in the shareholders' register of Aplitec on the record date, as follows:
- the cash option of 500 cents in cash per Aplitec ordinary share; or
 - the reinvestment option of 190 cents in cash per Aplitec ordinary share and an investment of 285 cents per Aplitec ordinary share in New Aplitec in the form of an RLA representing an interest in New Aplitec B class preference shares and B class loans held by the New Aplitec Participation Trust. In addition to this advance liquidation dividend, reinvesting shareholders will be granted, via the New Aplitec Participation Trust, the right to receive, for no additional consideration, NUEP special convertible preference shares in the distribution ratio on the occurrence of a trigger event.
- 3.3.2** Subject to paragraph 3.3.1 above, Aplitec shareholders will be entitled to elect (in their sole and absolute discretion) whether they wish to receive the reinvestment option instead of the cash option in respect of all or a portion of their Aplitec ordinary shares. Aplitec shareholders are required to make an election in the manner set out in paragraph 7 below as to the number of their Aplitec ordinary shares for which they wish to receive the reinvestment option. Aplitec shareholders who do not make an election will be deemed to have elected the cash option in respect of their entire Aplitec shareholdings.

3.4 Reinvestment option

- 3.4.1** The reinvestment option entitles reinvesting shareholders to receive 475 cents in anticipation of the voluntary winding-up and to reinvest 285 cents thereof through the New Aplitec Participation Trust. Effectively, reinvesting shareholders will receive part of the distribution in cash and part of the distribution by way of RLA's, in the ratio of one RLA for one Aplitec ordinary share, issued by New Aplitec to Aplitec and distributed *in specie* by Aplitec to reinvesting shareholders, which will be deemed to be renounced by the reinvesting shareholders in favour of the New Aplitec Participation Trust.
- 3.4.2** The 285 cents reinvestment portion will take the form of a capital contribution to the New Aplitec Participation Trust equivalent to 183,996 cents per Aplitec ordinary share and a loan equivalent to a value of 101,004 cents per Aplitec ordinary share. The New Aplitec Participation Trust will use the reinvestment proceeds to subscribe for New Aplitec B class preference shares at the par value of such shares plus a premium of 183,896 cents per New Aplitec B class preference share and extend a loan to New Aplitec in the same capital to loan proportions as the contribution to the New Aplitec Participation Trust. As the reinvestment option is underwritten by the Brait Group, this will result in 236 977 187 New Aplitec B class preference shares being issued. The New Aplitec Participation Trust will hold 100% of these New Aplitec B class preference shares at the closing date.

- 3.4.3** 192 967 138 NUEP special convertible preference shares, representing 100% of the issued NUEP special convertible preference shares, will be issued to the Aplitec Holdings Participation Trust at the closing date, credited as fully paid-up, for the benefit of reinvesting shareholders, through the New Aplitec Participation Trust, on the occurrence of a trigger event as part of the reinvestment option. This will significantly dilute the voting power of the existing common shareholders of NUEP.
- 3.4.4** The number of 192 967 138 NUEP special convertible preference shares is calculated as follows:
 $((a-b) \times c)/d/e$
 where:
a = purchase price of 475 cents per Aplitec share;
b = 190 cents (cash distribution);
c = 236 977 187, being the total number of Aplitec ordinary shares in issue;
d = 7 (fixed ZAR: USD exchange rate for the reinvestment option); and
e = 50 US cents (equivalent to the offer price of NUEP common stock to the Brait Consortium).
- 3.4.5** On the occurrence of a trigger event, the New Aplitec Participation Trust will issue a written notice to the Aplitec Holdings Participation Trust, notifying it of the intention of the reinvesting shareholders, through the New Aplitec Participation Trust, to take up their right to the relevant number of NUEP special convertible preference shares. The Aplitec Holdings Participation Trust will then distribute NUEP special convertible preference shares to the New Aplitec Participation Trust in the distribution ratio.
- 3.4.6** The distribution ratio is calculated as follows:
 a/b
 where:
a = 192 967 138 NUEP special convertible preference shares as determined in paragraph 3.4.3 above; and
b = 236 977 187 New Aplitec B class preference shares as determined in paragraph 3.4.2 above.
- 3.4.7** Simultaneously, the New Aplitec Participation Trust will, on behalf of the relevant reinvesting shareholders, cede the relevant number of New Aplitec B class preference shares and B class loans, as well as the NUEP special convertible preference shares received from the Aplitec Holdings Participation Trust, to NUEP. Upon receipt of these interests, NUEP will convert the NUEP special convertible preference shares into NUEP common stock on a one-for-one basis.
- 3.4.8** The New Aplitec Participation Trust shall only be entitled to convert the NUEP special convertible preference shares in multiples of 100, unless there are unit holders holding odd lots of NUEP special convertible preference shares in a lesser number, in which event they shall be entitled to convert such odd lots of NUEP special convertible preference shares but only *en bloc*, not piecemeal. If any fractions of NUEP common stock arise as a result of conversion of NUEP special convertible preference shares, NUEP shall pay in cash the fair market value of such fractional NUEP common stock from the New Aplitec Participation Trust as determined in accordance with the proposed amendment to NUEP's articles of incorporation.
- 3.4.9** The New Aplitec Participation Trust will thereafter sell the NUEP common stock as and when directed by the reinvesting shareholders, but in any event within a 12-month period after the date of conversion, in terms of Exchange Control approval with respect to the active transactions and distribute the proceeds (net of all brokerage fees and costs and marketable securities tax pursuant to the disposal of the NUEP common stock) to the reinvesting shareholders concerned. The NUEP common stock will be traded through market makers on the OTC Bulletin Board (as outlined in paragraph 10.5 below).

3.4.10 In the interest of gaining a greater conceptual understanding of the mechanics which comprise the active transactions, this circular includes five schematic diagrams (as contained in Annexures 1, 2 and 4 hereof) which detail:

- the reinvestment option (including the expected ownership interests and group structure, post-completion and implementation of the active transactions);
- the process to be followed by Aplitec shareholders in making their election; and
- the process to be followed by unit holders to exit their investment in New Aplitec and NUEP.

4. VOLUNTARY WINDING-UP AND DELISTING OF APLITEC

4.1 Mechanics of the voluntary winding-up

Given that Aplitec shareholders voted in favour of the special resolution for the voluntary winding-up and subject to such resolution being registered with the Registrar of Companies and the holders of a majority of the issued Aplitec ordinary shares **VOTING AGAINST** (i.e. not accepting) the rescission offer, Aplitec will be wound up in terms of sections 349 and 350 of the Companies Act, by way of a members' voluntary winding-up and accordingly:

4.1.1 Aplitec shareholders recorded in the Aplitec shareholders' register on the record date will receive the advance distribution; and

4.1.2 the listing of Aplitec on the JSE will be suspended at commencement of business on Monday, 21 June 2004 and terminated at commencement of business on Thursday, 1 July 2004.

4.2 Last day to trade and record date

4.2.1 The last day to trade will be on Friday, 18 June 2004.

4.2.2 The record date for purposes of the advance distribution will be on Friday, 25 June 2004.

4.3 Payment procedure

4.3.1 The advance distribution will be distributed to Aplitec shareholders recorded as such in the Aplitec shareholders' register on the record date, as outlined in paragraphs 4.3.2 and 4.3.3 below:

4.3.2 *Cash option:*

4.3.2.1 the electronic transfer of funds will occur or cheques will be posted by ordinary post in respect of certificated shareholders on Wednesday, 30 June 2004;

4.3.2.2 the crediting and/or updating of certificated shareholders' accounts (held through a nominee) with their nominee will take place on Wednesday, 30 June 2004; and

4.3.2.3 the crediting and/or updating of dematerialised shareholders' accounts with their CSDP or broker will take place on Wednesday, 30 June 2004.

4.3.3 *Reinvestment option:*

4.3.3.1 the electronic transfer of funds will occur or cheques will be posted by ordinary post in respect of certificated shareholders on Wednesday, 30 June 2004;

4.3.3.2 the crediting and/or updating of certificated shareholders' accounts (held through a nominee) with their nominee will take place on Wednesday, 30 June 2004;

4.3.3.3 the crediting and/or updating of dematerialised shareholders' accounts with their CSDP or broker will take place on Wednesday, 30 June 2004; and

4.3.3.4 the distribution *in specie* (by way of RLA's issued by New Aplitec to Aplitec as outlined in paragraph 3.2.5 above) to reinvesting shareholders will be deemed to be renounced by reinvesting shareholders in favour of the New Aplitec Participation Trust on Wednesday, 30 June 2004. Unit statements in respect of the non-cash portion of the reinvestment option will be posted, by registered post, to reinvesting shareholders on Wednesday, 30 June 2004, in terms of the trust deed of the New Aplitec Participation Trust, evidencing their beneficial interest in the New Aplitec Participation Trust, provided that a duly completed trustees' mandate (white) and the relevant KYC form for individuals (blue), trusts (yellow) or legal entities (green) was returned to the transfer secretaries by 12:00 on Friday, 25 June 2004.

- 4.3.4** Paragraph 8 below provides greater detail on payment procedures.
- 4.3.5** After Aplitec has been wound-up to the satisfaction of the Master of the High Court of South Africa, existing documents of title to Aplitec ordinary shares will have no value. There will not be a final liquidation dividend.
- 4.3.6** As New Aplitec has acquired the rights to the Aplitec name, Aplitec's name will change to DMB Investments Limited.

5. RESCISSION OFFER

5.1 Background

- 5.1.1** In order to comply with the requirements of the JSE and the SRP, Aplitec made the following disclosures to its shareholders:
- the announcement to shareholders regarding the receipt of an offer from New Aplitec and further cautionary announcement on Friday, 24 October 2003;
 - the terms announcement on Thursday, 30 October 2003;
 - the Section 228 circular.
- 5.1.2** On Tuesday, 9 December 2003, the Aplitec shareholders met and approved the disposal.
- 5.1.3** In addition, on Wednesday, 3 December 2003, NUEP filed a proxy statement on Schedule 14A.
- 5.1.4** On Tuesday, 3 February 2004, NUEP initially filed a registration statement, of which the NUEP Offering Document was a part, with the SEC. In connection with its review of the registration statement, the staff of the SEC advised NUEP that the disclosures described above may have violated Section 5(a) of the US Securities Act because they were made prior to the filing of the registration statement. The staff also advised NUEP that the Aplitec shareholder action described above may have violated Section 5(c) of the US Securities Act because it occurred prior to the registration statement being declared effective by the SEC.

5.2 The rescission offer

- 5.2.1** The rescission offer will be made prior to the election by Aplitec shareholders with respect to the reinvestment option. The rescission offer is not an admission of non-compliance with USA federal securities laws. In the opinion of the Directors, under South African law, no offer or acceptance of NUEP securities has taken place.
- 5.2.2** The rescission offer is being made at this time because, as noted above, in connection with the SEC registration process the staff of the SEC has advised that potential violations of Section 5 under the US Securities Act may have occurred and that consideration should be given to making a rescission offer. Assuming that a majority of the holders of issued Aplitec ordinary shares **VOTE AGAINST** (i.e. do not accept) the rescission offer and that all the other suspensive conditions to the active transactions are waived or fulfilled, the election in respect of the reinvestment option offered to Aplitec shareholders in terms of this circular will open on Tuesday, 8 June 2004.
- 5.2.3** This rescission offer is being made to all Aplitec shareholders recorded in the Aplitec shareholders' register at commencement of business on Monday, 7 June 2004, regardless of whether any such Aplitec shareholder owned Aplitec ordinary shares at the time of the announcements described above or at the time of the Aplitec shareholder vote on Tuesday, 9 December 2003 and regardless of whether such Aplitec ordinary shares were voted in favour of the disposal.
- 5.2.4** The general meeting to consider and vote on the rescission offer has been convened for 08:30 on Monday, 7 June 2004.

5.3 Consequences of rescission offer

- 5.3.1** The active transactions are subject to the waiver or fulfilment of, *inter alia*, the following unfulfilled suspensive conditions:
1. New Aplitec causing copies of the NUEP Offering Document to be circulated to the Aplitec shareholders;

2. the registration with the SEC of the NUEP special convertible preference shares and the NUEP common stock issuable upon conversion of such NUEP special convertible preference shares; and
3. New Aplitec providing Aplitec with all such documents as will enable Aplitec to verify that all things have been done as will authorise and enable NUEP to lawfully issue the NUEP special convertible preference shares upon the closing date in accordance with the terms and conditions of the reinvestment option.

5.3.2 Without the SEC's declaration that the registration statement is effective, the NUEP Offering Document referred to in condition (1) above cannot be circulated. Moreover, the NUEP special convertible preference shares and NUEP common stock referred to in condition (2) above cannot be registered and lawfully issued in the manner contemplated by the active transactions under the US Securities Act as required by condition (3) above. Accordingly, NUEP, Aplitec and New Aplitec believe that none of these suspensive conditions will be satisfied unless the rescission offer is extended as described in this circular and the NUEP Offering Document.

5.3.3 Please refer to paragraph 12.2 below which indicates how the Board intends to vote with regard to the rescission offer.

5.3.4 If the holders of a majority of the issued and outstanding Aplitec ordinary shares VOTE FOR (i.e. accept) the rescission offer, the active transactions WILL NOT be consummated as a result of the failure of certain of the suspensive conditions to which the active transactions are subject and Aplitec shareholders will receive neither the cash option nor the reinvestment option.

If the holders of a majority of the issued and outstanding Aplitec ordinary shares VOTE AGAINST (i.e. do not accept) the rescission offer, the active transactions WILL be consummated as originally contemplated and all Aplitec shareholders, regardless of their vote on the rescission offer will receive cash or, if they elect the reinvestment option, cash and interests in the New Aplitec Participation Trust, subject to the waiver or fulfilment of any unfulfilled suspensive conditions outstanding.

6. GENERAL MEETING AND PROXIES

- 6.1** The general meeting of Aplitec shareholders has been convened for 08:30 on Monday, 7 June 2004 in the boardroom at 4th Floor, North Wing, President Place, corner Jan Smuts Avenue and Bolton Road, Rosebank for the purpose of considering and, if deemed fit, passing, with or without modification, the ordinary resolution regarding the rescission offer. Following hereafter and forming part of this circular is the notice convening the general meeting and form of proxy (grey) for Aplitec shareholders who are unable to attend the general meeting. Duly completed forms of proxy (grey) must be received by the transfer secretaries by no later than 08:30 on Friday, 4 June 2004.
- 6.2** If you do not hold your dematerialised Aplitec ordinary shares in your own name, you must provide your CSDP or broker with your voting instructions in terms of the custody agreement entered into with your CSDP or broker. If you wish to attend the general meeting in person, then you will need to request your CSDP or broker to provide you with the necessary authority to attend and vote your Aplitec ordinary shares.
- 6.3** If you hold certificated Aplitec ordinary shares through a nominee you must provide your nominee with your voting instructions in terms of the custody agreement entered into with such nominee. If you wish to attend the general meeting in person, then you will need to request your nominee to provide you with the necessary authority to attend and vote your Aplitec ordinary shares.

7. SHAREHOLDER ELECTIONS

- 7.1** The announcement of the outcome of the rescission offer will be released on SENS on Monday, 7 June 2004 and published in the press on Tuesday, 8 June 2004. If the holders of a majority of the issued Aplitec ordinary shares **VOTE FOR** (i.e. accept) the rescission offer, the active transactions will not be consummated and the election period will not open. If the holders of a majority of the issued Aplitec ordinary shares **VOTE AGAINST** (i.e. do not accept) the rescission offer, the active transactions will be consummated, subject to the waiver or fulfilment of any unfulfilled suspensive conditions and the election period will open.

- 7.2 Aplitec shareholders are entitled to elect (in their sole and absolute discretion) whether they wish to receive the reinvestment option instead of the cash option in respect of all or a portion of their Aplitec shareholding. Aplitec shareholders are required to indicate the total number of Aplitec ordinary shares held by them and the total number of Aplitec ordinary shares for which they elect the reinvestment option. The manner in which Aplitec shareholders will make their elections will vary depending on the form in which they hold their Aplitec ordinary shares. This is outlined below. ***In the event that any Aplitec shareholder fails to indicate an election for the reinvestment option, such Aplitec shareholder shall be deemed to have elected the cash option in respect of his entire Aplitec shareholding.***
- 7.3 All Aplitec shareholders who elect the reinvestment option in respect of all or part of their Aplitec shareholding are required to complete and return, or ensure that their nominee or broker completes and returns, the relevant KYC form for individuals (blue), trusts (yellow) or legal entities (green) in terms of FICA and must also sign and return, or ensure that their nominee or broker signs and returns, the trustees' mandate (white). In selecting the reinvestment option, reinvesting shareholders will, in any event, be deemed to have accepted the terms of the trustees' mandate (white). A USA resident Aplitec shareholder, by virtue of his signature of the trustees' mandate (white), shall have given written notice causing the occurrence of a trigger event as a consequence of which, the trustees shall distribute the applicable NUEP common stock to such shareholder. ***In the event that a reinvesting shareholder fails to complete the relevant documentation completely and accurately, such reinvesting shareholder will not be issued with a unit statement, nor will such reinvesting shareholder receive any benefits that accrue nor be entitled to transact until such time as the relevant documentation is properly completed and returned in accordance with the instructions contained herein.***
- 7.4 **Certificated Aplitec ordinary shares – held in own name**
- 7.4.1 Certificated shareholders, who hold their Aplitec ordinary shares in their own name, are required to:
- indicate on the attached form of election (pink) the total number of Aplitec ordinary shares held and the number of Aplitec ordinary shares for which they elect to receive the reinvestment option; and
 - if they elect the reinvestment option in respect of all or part of their Aplitec ordinary shares, complete the attached trustees' mandate (white); and
 - if they elect the reinvestment option in respect of all or part of their Aplitec ordinary shares, complete the relevant KYC form for individuals (blue), trusts (yellow) or legal entities (green).
- 7.4.2 The form of election (pink) must be received from certificated shareholders (who hold their Aplitec ordinary shares in their own name) by the transfer secretaries, Ultra Registrars (Pty) Limited, 11 Diagonal Street, Johannesburg, 2001 (PO Box 4844, Johannesburg, 2000) by 12:00 on Friday, 25 June 2004 in order to ensure the Aplitec shareholders' election is timeously complied with.
- 7.4.3 Aplitec assumes no responsibility for verifying the number of Aplitec ordinary shares provided on the form of election (pink). In the event that an Aplitec shareholder indicates the incorrect number of Aplitec ordinary shares held on the form of election, but elects to receive the reinvestment option, the reinvestment option will be the percentage of Aplitec ordinary shares indicated to receive the reinvestment option *vis-à-vis* the total number of Aplitec ordinary shares incorrectly indicated as being held at the record date. The remainder of the advance distribution in respect of that Aplitec shareholder will be discharged by the payment of cash as if such Aplitec shareholder had elected the cash option.
- 7.4.4 Until such time as a certificated shareholder returns a duly completed trustees' mandate (white) and relevant KYC form for individuals (blue), trusts (yellow) or legal entities (green) to the transfer secretaries, such certificated shareholder will not be issued with a unit statement, nor will such certificated shareholder receive any benefits that accrue nor be entitled to transact.

7.5 Certificated Aplitec ordinary shares – held through a nominee

- 7.5.1** Certificated shareholders, who hold their Aplitec ordinary shares through a nominee, are required to:
- notify their duly appointed nominee of their election in the manner and time stipulated in the custody agreement governing the relationship between the Aplitec shareholder and their nominee; and
 - if they elect the reinvestment option in respect of all or part of their Aplitec ordinary shares, complete, or ensure that their nominee completes, the attached trustees' mandate (white); and
 - if they elect the reinvestment option in respect of all or part of their Aplitec ordinary shares, complete, or ensure that their nominee completes, the relevant KYC form for individuals (blue), trusts (yellow) or legal entities (green).
- 7.5.2** The election must be received by the transfer secretaries via the certificated shareholder's nominee by 12:00 on Friday, 25 June 2004 in order to ensure that the Aplitec shareholder's election is complied with.
- 7.5.3** Certificated shareholders, who hold their Aplitec ordinary shares through a nominee, must NOT complete the attached form of election (pink).
- 7.5.4** Until such time as a certificated shareholder, who holds his shares through a nominee, returns a duly completed trustees' mandate (white) and the relevant KYC form for individuals (blue), trusts (yellow) or legal entities (green) to the transfer secretaries via his nominee, such certificated shareholder will not be issued with a unit statement, nor will such certificated shareholder receive any benefits that accrue nor be entitled to transact.

7.6 Dematerialised Aplitec ordinary shares

- 7.6.1** Dematerialised shareholders are required to:
- notify their duly appointed CSDP or broker of their election in the manner and time stipulated in the custody agreement governing the relationship between the Aplitec shareholder and their CSDP or broker; and
 - if they elect the reinvestment option in respect of all or part of their Aplitec ordinary shares, complete, or ensure that their broker completes, the attached trustees' mandate (white). A CSDP may NOT complete a trustees' mandate (white) but must ensure that the beneficial Aplitec shareholder is provided with same; and
 - if they elect the reinvestment option in respect of all or part of their Aplitec ordinary shares, complete, or ensure that their broker completes, the relevant KYC form for individuals (blue), trusts (yellow) or legal entities (green). A CSDP may NOT complete the relevant KYC form for individuals (blue), trusts (yellow) or legal entities (green) but must ensure that the beneficial Aplitec shareholder is provided with same.
- 7.6.2** The election must be received by the transfer secretaries via the dematerialised shareholder's CSDP or broker by 12:00 on Friday, 25 June 2004 in order to ensure that the Aplitec shareholder's election is complied with.
- 7.6.3** Dematerialised shareholders must NOT complete the attached form of election (pink).
- 7.6.4** Until such time as a dematerialised shareholder returns a duly completed trustees' mandate (white) and the relevant KYC form for individuals (blue), trusts (yellow) or legal entities (green) via his CSDP or broker, such dematerialised shareholder will not be issued with a unit statement nor be entitled to receive any benefits that accrue nor be entitled to transact.

8. EXCHANGE CONTROL REGULATIONS

- 8.1** The following is a summary of the Exchange Control Regulations regarding the cash option or the reinvestment option and is intended as a guide only and is not a comprehensive statement of the Exchange Control Regulations of South Africa. Aplitec shareholders who are in any doubt as to the action they should take should consult their professional advisors without delay.

8.2 Residents of the common monetary area

8.2.1 The cash option or the reinvestment option due to a ***certificated*** shareholder whose registered address in Aplitec shareholders' register is within the common monetary area and whose documents of title are not restrictively endorsed in terms of the Exchange Control Regulations, will be dealt with as follows:

- the cheque in respect of the cash option or the cash portion of the reinvestment option due to a certificated shareholder will be posted, by ordinary post, to such Aplitec shareholder, at such Aplitec shareholder's risk, to his address reflected in the Aplitec shareholders' register on Wednesday, 30 June 2004, if the duly completed form of election (pink) is received by 12:00 on Friday, 25 June 2004; and
- once a duly completed trustees' mandate (white) and the relevant KYC form for individuals (blue), trusts (yellow) or legal entities (green) is returned to the transfer secretaries, a unit statement will be issued and posted, by registered post, by the trustees to the unit holder in respect of all units held by the trustees on behalf of the unit holder, at such reinvesting shareholder's risk, to the address reflected in the Aplitec shareholders' register on the record date, provided the relevant documentation is received on or before the record date, or to the address reflected on the relevant KYC form if the relevant documentation is received after the record date.

8.2.2 The cash option or the reinvestment option due to a ***certificated shareholder, whose Aplitec ordinary shares are held through a nominee***, whose registered address in Aplitec's sub-register of shareholders is within the common monetary area and whose documents of title are not restrictively endorsed in terms of the Exchange Control Regulations, will be dealt with as follows:

The amount due to a certificated shareholder in respect of:

- the cash option or the cash portion of the reinvestment option will, at his risk, be transferred by Aplitec to his nominee, by way of electronic funds transfer, on Wednesday, 30 June 2004 and the certificated shareholder's nominee should, in turn, credit and/or update his account; and/or
- once a duly completed trustees' mandate (white) and the relevant KYC form for individuals (blue), trusts (yellow) or legal entities (green) is returned via the nominee to the transfer secretaries, a unit statement in respect of the non-cash portion of the reinvestment option will be issued and posted, by registered post, by the trustees in respect of all units held by the trustees on behalf of the unit holder, at such reinvesting shareholder's risk, to the address reflected in the Aplitec shareholders' register on the record date, provided the relevant documentation is received on or before the record date, or to the address reflected on the relevant KYC form if the relevant documentation is received after the record date.

8.2.3 The cash option or the reinvestment option due to a ***dematerialised*** shareholder whose registered address in Aplitec's sub-register of shareholders is within the common monetary area and whose documents of title are not restrictively endorsed in terms of the Exchange Control Regulations, will be dealt with as follows:

The amount due to a dematerialised shareholder in respect of:

- the cash option or the cash portion of the reinvestment option will, at his risk, be transferred by Aplitec to his CSDP or broker, as the case may be, by way of electronic funds transfer, on Wednesday, 30 June 2004 and the dematerialised shareholder's CSDP or broker should, in turn, credit and/or update his account; and/or
- once a duly completed trustees' mandate (white) and the relevant KYC form for individuals (blue), trusts (yellow) or legal entities (green) is returned via the CSDP or broker to the transfer secretaries, a unit statement in respect of the non-cash portion of the reinvestment option will be issued and posted, by registered post, by the trustees in respect of all units held by the trustees on behalf of the unit holder, at such reinvesting shareholder's risk, to the address reflected in the Aplitec shareholders' register on the record date, provided the relevant documentation is received on or before the record date, or to the address reflected on the relevant KYC form if the relevant documentation is received after the record date.

8.3 Emigrants from the common monetary area

8.3.1 The cash option or the reinvestment option due to a **certificated** shareholder who is an emigrant from the common monetary area, whose registered address is outside the common monetary area and whose document/s of title has/have been restrictively endorsed under the Exchange Control Regulations, will:

- to the extent that the cash option or the cash portion of the reinvestment option is payable, be deposited in a blocked Rand account with the authorised dealer in foreign exchange in South Africa nominated by the Aplitec shareholder concerned and controlling the Aplitec shareholder's blocked assets in accordance with his instructions, or failing such nomination, with Aplitec in an Aplitec non-interest bearing account as an interim measure until such time as an authorised dealer is appointed;
- to the extent that the reinvestment option is elected, and once a duly completed trustees' mandate (white) and the relevant KYC form for individuals (blue), trusts (yellow) or legal entities (green) is returned to the transfer secretaries, the unit statement from the New Aplitec Participation Trust in respect of the non-cash portion of the reinvestment option due to a certificated shareholder will be issued and posted, by registered post, by the trustees to the unit holder in respect of all units held by the trustees on behalf of the unit holder, to such Aplitec shareholder, at such Aplitec shareholder's risk, to the address reflected in the Aplitec shareholders' register on the record date, provided the relevant documentation is received on or before the record date, or to the address reflected on the relevant KYC form if the relevant documentation is received after the record date, and will be restrictively endorsed.

8.3.2 The cash option or the reinvestment option due to a **certificated shareholder, whose Aplitec ordinary shares are held through a nominee**, will:

- to the extent that the cash option or the cash portion of the reinvestment option is to be received by a certificated shareholder who is an emigrant, be credited and/or updated directly to the Aplitec shareholder's duly appointed nominee, which will arrange for the same to be credited directly to the Aplitec shareholder's blocked Rand account and held to the order of the authorised dealer in foreign exchange in South Africa controlling such certificated shareholder's blocked accounts;
- to the extent that the reinvestment option is elected, and once a duly completed trustees' mandate (white) and the relevant KYC form for individuals (blue), trusts (yellow) or legal entities (green) is returned via the nominee to the transfer secretaries, the unit statement from the New Aplitec Participation Trust in respect of the non-cash portion of the reinvestment option due to a certificated shareholder will be issued and posted, by registered post, by the trustees in respect of all units held by the trustees on behalf of the unit holder, at such reinvesting shareholder's risk, to the address reflected in the Aplitec shareholders' register on the record date, provided the relevant documentation is received on or before the record date, or to the address reflected on the relevant KYC form if the relevant documentation is received after the record date, and will be restrictively endorsed.

8.3.3 The cash option or the reinvestment option due to a **dematerialised** shareholder will:

- to the extent that the cash option or the cash portion of the reinvestment option is to be received by a dematerialised shareholder who is an emigrant, be credited and/or updated directly to the Aplitec shareholder's duly appointed CSDP or broker, which will arrange for the same to be credited directly to the Aplitec shareholder's blocked Rand account and held to the order of the authorised dealer in foreign exchange in South Africa controlling such dematerialised shareholder's blocked accounts;
- to the extent that the reinvestment option is elected, and once a duly completed trustees' mandate (white) and the relevant KYC form for individuals (blue), trusts (yellow) or legal entities (green) is returned via the CSDP or broker to the transfer secretaries, the unit statement from the New Aplitec Participation Trust in respect of the non-cash portion of the reinvestment option due to a dematerialised shareholder will be issued and posted, by registered post, by the trustees in respect of all units held by the trustees on behalf of the unit holder, at such reinvesting shareholder's risk, to the address reflected in the Aplitec shareholders' register on the record date, provided the relevant documentation is received on or before the record date, or to the address reflected on the relevant KYC form if the relevant documentation is received after the record date, and will be restrictively endorsed.

8.4 All other non-residents of the common monetary area

8.4.1 The cash option or the reinvestment option due to a **certificated** shareholder who is a non-resident (but not an emigrant) of the common monetary area and whose documents of title have been restrictively endorsed under the Exchange Control Regulations will:

- to the extent that the cash option is elected or the cash portion of the reinvestment option is payable, be deposited with the authorised dealer in foreign exchange in South Africa nominated by such certificated shareholder, or failing such nomination, with Aplitec, in an Aplitec non-interest bearing account as an interim measure. It will be incumbent upon such non-resident certificated shareholder to instruct his nominated authorised dealer, or failing such nomination, Aplitec, as to the disposal of the relevant proceeds;
- to the extent that the reinvestment option is elected, and once a duly completed trustees' mandate (white) and the relevant KYC form for individuals (blue), trusts (yellow) or legal entities (green) is returned to the transfer secretaries, the unit statement from the New Aplitec Participation Trust in respect of the non-cash portion of the reinvestment option due to a certificated shareholder will be issued and posted, by registered post, by the trustees to the unit holder in respect of all units held by the trustees on behalf of the unit holder to such Aplitec shareholder, at such Aplitec shareholder's risk, to the address reflected in the Aplitec shareholders' register on the record date, provided the relevant documentation is received on or before the record date, or to the address reflected on the relevant KYC form if the relevant documentation is received after the record date, and will be restrictively endorsed. The non-resident who has elected the reinvestment option then has the option of causing the occurrence of a trigger event and, thereafter, will be entitled to receive his relevant portion of the NUEP common stock rather than being obliged to sell them within the 12-month period after conversion.

8.4.2 The cash option or the reinvestment option due to a **certificated shareholder, whose Aplitec ordinary shares are held through a nominee**, who is a non-resident (but not an emigrant) of the common monetary area will:

- to the extent that the cash option or the cash portion of the reinvestment option becomes payable will have the cash proceeds credited directly to the bank account nominated by the certificated shareholder's duly appointed nominee;
- to the extent that the reinvestment option is elected, and once a duly completed trustees' mandate (white) and the relevant KYC form for individuals (blue), trusts (yellow) or legal entities (green) is returned via the nominee to the transfer secretaries, the unit statement from the New Aplitec Participation Trust in respect of the non-cash portion of the reinvestment option due to a certificated shareholder will be issued and posted, by registered post, by the trustees, at the reinvesting shareholder's risk, to the address reflected in the Aplitec shareholders' register on the record date, provided the relevant documentation is received on or before the record date, or to the address reflected on the relevant KYC form if the relevant documentation is received after the record date, and will be restrictively endorsed. The non-resident who has elected the reinvestment option then has the option of causing the occurrence of a trigger event and, thereafter, will be entitled to receive his relevant portion of the NUEP common stock rather than being obliged to sell them within the 12-month period after conversion.

8.4.3 The cash option or the reinvestment option due to a **dematerialised** shareholder who is a non-resident (but not an emigrant) of the common monetary area will:

- to the extent that the cash option or the cash portion of the reinvestment option becomes payable, will have the cash proceeds credited directly to the bank account nominated by the dematerialised shareholder's duly appointed CSDP or broker;
- to the extent that the reinvestment option is elected, and once a duly completed trustees' mandate (white) and the relevant KYC form for individuals (blue), trusts (yellow) or legal entities (green), is returned via the CSDP or broker to the transfer secretaries, the unit statement from the New Aplitec Participation Trust in respect of the non-cash portion of the reinvestment option due to a dematerialised shareholder will be issued and posted, by registered post, by the trustees, at the reinvesting shareholder's risk, to the address reflected

in the Aplitec shareholders' register on the record date, provided the relevant documentation is received on or before the record date, or to the address reflected on the relevant KYC form if the relevant documentation is received after the record date, and will be restrictively endorsed. The non-resident who has elected the reinvestment option then has the option of causing the occurrence of a trigger event and, thereafter, will be entitled to receive his relevant portion of the NUEP common stock rather than being obliged to sell them within the 12-month period after conversion.

9. SALIENT DETAILS OF NEW APLITEC AFTER IMPLEMENTATION OF THE ACTIVE TRANSACTIONS

9.1 Nature of business

After implementation of the active transactions, New Aplitec will be a company whose subsidiaries and businesses employ specialised smart card technologies to add efficiency to a myriad of commercial activities requiring money transfers, payment systems and other electronic data applications. Aplitec shareholders are referred to the prospectus which has been included in the folder and Aplitec shareholders are advised to consider and understand the contents thereof.

9.2 Summary of New Aplitec share capital and loans

	Issued	Percentage of total	Total Value (ZAR'm)	Individual Value ZAR
New Aplitec B class preference shares	236 977 187	58,14	436,0	1,83996
B class loans			239,4	1,01004
			675,4	2,85000
New Aplitec A class shares	170 647 911	41,86	57,5	0,33668
A class loans			172,3	1,01004
			229,8	1,34672
	407 625 098	100,00	905,2	

9.3 New Aplitec A class share terms

9.3.1 NUEP will capitalise New Aplitec with the equivalent of ZAR229,8 million by way of loans and share capital in the ratio of 3 : 1. NUEP will hold 100% of the New Aplitec A class shares and A class loans at the closing date.

9.3.2 The A class shares carry the usual rights attaching to ordinary shares.

9.3.3 Details of the terms of the loans to be made to New Aplitec by NUEP are set out in paragraph 9.5 below.

9.4 New Aplitec B class preference share terms

9.4.1 The New Aplitec B class preference shares shall be held by the New Aplitec Participation Trust on behalf of reinvesting shareholders.

9.4.2 The New Aplitec B class preference shares will constitute 58,14% of the entire issued share capital of New Aplitec and will rank *pari passu* with the New Aplitec A class shares in respect of participation in dividends and return of capital prior to the winding-up of New Aplitec. The New Aplitec B class preference shares shall not participate in dividends or a return of capital on a winding-up of New Aplitec for any reason.

9.4.3 The New Aplitec B class preference shares held by the New Aplitec Participation Trust will carry voting rights in respect of those matters that affect the rights attaching to the New Aplitec B class preference shares and the right to receive dividends.

- 9.4.4** The New Aplitec B class preference shares cannot be sold or transferred, other than to NUEP, pursuant to the occurrence of a trigger event. Therefore, the New Aplitec B class preference shares, the B class loans and the right to receive the NUEP special convertible preference shares are linked together and cannot be traded separately.
- 9.4.5** Subject to paragraph 9.7 below, the New Aplitec B class preference shares will receive dividends from New Aplitec on the same basis as and *pro rata* to the New Aplitec A class shares. No dividend can be declared to the New Aplitec A class shareholders without New Aplitec declaring a *pro rata* dividend to the New Aplitec B class preference shareholders.
- 9.4.6** Without the approval of holders of a majority of the New Aplitec B class preference shares, New Aplitec may not declare any dividends and may not sell or transfer any of its intellectual property.

9.5 A class loans and B class loans made to New Aplitec

- 9.5.1** The A class loans and B class loans made by NUEP and the New Aplitec Participation Trust to New Aplitec will carry the same terms, rank *pari passu* with one another and will be repaid *pro rata*.
- 9.5.2** The A class loans and B class loans will:
- be repayable to NUEP and the New Aplitec Participation Trust as and when directed by the board of directors of New Aplitec provided that no capital under the loans shall be repayable until at least 30 days have elapsed from the date of drawdown of the loans. The loans can only be repaid upon receipt of the Exchange Control Department of the South African Reserve Bank's prior written approval for the repayment of the capital under the loans;
 - bear interest at such rates as may be determined by the board of directors of New Aplitec annually in advance, but which shall not be more than the prime rate as quoted by The Standard Bank of South Africa Limited from time to time.
- 9.5.3** Interest on the A class loans and B class loans made to New Aplitec will be payable by New Aplitec as and when determined by the board of directors of New Aplitec
- 9.5.4** The A class loans and B class loans will be denominated in ZAR.

9.6 Working capital facility

New Aplitec has raised a working capital facility of ZAR450 million from Nedbank Limited.

9.7 Dividends

- 9.7.1** No dividends will be declared by New Aplitec until 100% of the A class loans and B class loans have been repaid as set out in paragraph 9.5.2 above.
- 9.7.2** A *pro rata* portion of any dividends, A class loans and interest thereon, declared and paid by New Aplitec will be received by NUEP (as a result of its holding of New Aplitec A class shares) which will in turn immediately declare and pay a dividend to its holders of common stock. As the New Aplitec Participation Trust would directly receive a share of any dividend, B class loans and interest thereon from New Aplitec on the New Aplitec B class preference shares and B class loans, the NUEP special convertible preference shares will not participate in any dividends, loan repayments and interest from New Aplitec that are, in turn, declared as dividends and paid by NUEP.
- 9.7.3** Dividends payable by NUEP out of profits from any source, other than New Aplitec, will be paid to all the shareholders of NUEP including to the holders of NUEP special convertible preference shares and holders of NUEP common stock. The Aplitec Holdings Participation Trust will receive the dividends payable on the NUEP special convertible preference shares and will promptly pay the amounts received to the trustees on behalf of reinvesting shareholders who are unit holders of the New Aplitec Participation Trust *pro rata*, based on their respective number of units in the New Aplitec Participation Trust.

9.8 Service agreements, restraints of trade and stock incentive plan

- 9.8.1** Dr Serge Christian Pierre Belamant, Mr Herman Gideon Kotze, Mrs Brenda Stewart and Mr Nitin Soma have, subject to the completion of the active transactions, each agreed to enter into service contracts, the exact terms of which will be agreed at a later date.
- 9.8.2** They have also entered into restraint of trade agreements in favour of New Aplitec for no consideration.
- 9.8.3** Dr Serge Christian Pierre Belamant, Mr Herman Gideon Kotze, Mrs Brenda Stewart and Mr Nitin Soma and other employees determined by the board of directors of NUEP (or a committee thereof) will receive a total of 8 720 936 shares of NUEP common stock, credited as fully paid-up, equivalent to 2,63% of the fully diluted shares of NUEP common stock. These shares will vest over a period of four years, commencing on the grant date, in terms of a proposed stock incentive plan.
- 9.8.4** A total of 2,63% of the equity of NUEP will be made available to selected members of the management team by means of a proposed stock incentive plan (the individual recipients of which have not been determined at this time, with the exception of Dr Serge Christian Pierre Belamant, Mr Herman Gideon Kotze, Mrs Brenda Stewart and Mr Nitin Soma) in terms of which such equity will vest equally over a period of five years.

9.9 Financial reporting

New Aplitec will provide its shareholders, namely NUEP and the New Aplitec Participation Trust, with annual financial statements, audited in accordance with SA GAAP. The New Aplitec Participation Trust will, in turn, distribute such financial information to its unit holders.

10. SALIENT DETAILS OF NUEP AFTER IMPLEMENTATION OF THE ACTIVE TRANSACTIONS

10.1 NUEP after the implementation of the active transactions

- 10.1.1** After the implementation of the active transactions, including the acquisition of the assets and liabilities of Aplitec, via New Aplitec, and certain assets and liabilities of Net1 Holdings (discussed in paragraph 10.1.2 below), NUEP will own:
- all of its existing assets and liabilities;
 - 100% of the New Aplitec A class shares and A class loans and in turn New Aplitec will hold the assets and liabilities of Aplitec; and
 - 100% of Lux Newco SARL and in turn Lux Newco SARL will hold selected assets and liabilities of Net1 Holdings, including Net1 Holdings' rights and obligations under the Patent and Technology agreement with NUEP, as well as all other intellectual property rights, including copyrights, patents, designs, trademarks and licence agreements.
- 10.1.2** NUEP, through a wholly-owned subsidiary Lux Newco SARL, will acquire the following assets and contracts from Net1 Holdings:
- the Patent and Technology Agreement between Net1 Holdings and NUEP, dated 3 May 2000;
 - the UEPS Product Licence Agreement between Net1 Holdings, Net1 Operations SARL and Social Security Bank, dated 2 April 1997, for the territory of Ghana;
 - the UEPS Product Licence Agreement between Net1 Holdings and Banque De Gestion Et De Financement Burundi, dated 2 March 2000;
 - the Technology and Licensing Agreement between Net1 Holdings and Visa International, dated 1 July 1997;
 - the Procurement and Commission Agreement between Net1 Holdings, the Reserve Bank of Malawi and Net1 Investment, dated 6 April 2001;
 - the UEPS Product Licence Agreement between Net1 Holdings and Banque de Commerce, de Development ED Industrie B.C.D.I. S.A. Rwanda, dated 4 February 1999; and
 - US Patent RE 36788,
- and will assume certain related obligations of Net1 Holdings. The consideration for the acquisition is USD1.

10.2 Share capital of NUEP as a result of the active transactions

10.2.1 The articles of incorporation of NUEP will be amended to increase the authorised NUEP common stock and to define the terms of the NUEP special convertible preference shares that are to be issued pursuant to the transactions outlined in paragraph 10.1.1 above. This will result in authorised share capital of 500 million NUEP common stock at USD0.001 per share equating to USD0,5 million and 300 million NUEP special convertible preference shares of USD0.001 equating to USD0,3 million.

Issued or to be issued	Number	Par USD	Premium USD	Price issued USD	Total USD'm
1. NUEP existing shareholders NUEP common stock	15 852 856	0.001	*	*	*
2. Brait Consortium investment NUEP common stock	105 661 428	0.001	0.499	0.500	52.8
3. Aplitec acquisition NUEP special convertible preference shares	192 967 138	0.001	–	0.001	0.2
4. Proposed stock incentive plan (paragraph 9.8 of this circular) NUEP common stock	17 441 872	0.001	–	0.001	0.0
Summary:					
NUEP common stock	138 956 156	0.001			
NUEP special convertible preference shares	192 967 138	0.001			
	331 923 294				

* Various

10.2.2 The trading price per share of NUEP common stock is currently quoted on the OTC Bulletin Board. The NUEP special convertible preference shares are convertible into NUEP common stock on a one-for-one basis, subject to adjustment as detailed in the proposed amendment to NUEP's articles of incorporation.

10.2.3 The preferential conversion rights of the NUEP special convertible preference shares, the voting rights of the NUEP special convertible preference shares and the rights to dividends, profits, capital, rights on liquidation and rights on distribution of capital assets as well as information regarding the consents necessary for the variation of rights attaching to the NUEP special convertible preference shares are disclosed in paragraph 10.3 below and the proposed amendment to the articles of incorporation of NUEP.

10.2.4 In lieu of receiving a cash payment with respect to the capital raising fee of USD3,73 million and corporate finance fee of ZAR1,15 million (adjusted from ZAR0,85 million disclosed in the Section 228 circular in accordance with the mandate between NUEP and the Brait Group), the Brait Group has the option of receiving part of its fee in the form of NUEP common stock, to be issued at a price of USD0.50 per share, up to a maximum of 5 million shares with the balance to be received in cash.

10.3 NUEP special convertible preference share terms

10.3.1 192 967 138 NUEP special convertible preference shares will be issued to the Aplitec Holdings Participation Trust credited as fully paid-up on the closing date as part of the reinvestment option. An agreement has been concluded between the New Aplitec Participation Trust, the Aplitec Holdings Participation Trust, New Aplitec, NUEP and the Brait Group which details the New Aplitec Participation Trust's rights to receive NUEP special convertible preference shares in the distribution ratio for each New Aplitec B class preference share held on the occurrence of a trigger event.

- 10.3.2** The NUEP special convertible preference shares will carry voting rights *pari passu* to NUEP common stock and dividend rights (in respect of income derived outside South Africa only) in NUEP. The Aplitec Holdings Participation Trust will exercise its voting rights in NUEP in accordance with instructions received from the New Aplitec Participation Trust, which instructions will reflect the individual voting decisions of the reinvesting shareholders. Each NUEP special convertible preference share held by the Aplitec Holdings Participation Trust will allow the Aplitec Holdings Participation Trust to exercise one vote in respect of all matters voted upon by NUEP's shareholders.
- 10.3.3** The relevant NUEP special convertible preference shares will be converted into NUEP common stock on the occurrence of a trigger event. The consideration for the conversion of the NUEP special convertible preference shares will be the cession of the New Aplitec B class preference shares and B class loans to NUEP. The New Aplitec Participation Trust will sell the NUEP common stock and distribute the proceeds to the reinvesting shareholders who elected to sell. To comply with Exchange Control approval for the active transactions, this sale must be completed within 12 months from the date of conversion, other than when the trigger event was due to the abolishment or relaxation of exchange controls. A non-resident unit holder of the New Aplitec Participation Trust is not obliged to sell his portion of the NUEP common stock within the 12 month period after conversion.
- 10.3.4** The net effect of this is that there will not be a net outflow of ZAR from South Africa in these circumstances.
- 10.3.5** In connection with the active transactions, NUEP will issue 192 967 138 NUEP special convertible preference shares to the Aplitec Holdings Participation Trust, at the closing date, for the benefit of the unit holders of the New Aplitec Participation Trust. The 236 977 187 New Aplitec B class preference shares and B class loans that will be issued by New Aplitec to the New Aplitec Participation Trust, together with the NUEP special convertible preference shares, will convert into 192 967 138 NUEP common stock in due course on the occurrence of trigger events.
- 10.3.6** The New Aplitec Participation Trust's right to receive the NUEP special convertible preference shares and their conversion into NUEP common stock will be managed on behalf of the New Aplitec Participation Trust by an authorised dealer in South Africa. The sale of the NUEP common stock will also be managed by the authorised dealer to ensure that the proceeds are remitted timeously to South Africa.
- 10.3.7** The trustees of the New Aplitec Participation Trust will be South African. It is intended that, once the active transactions have become unconditional, the trustees of the New Aplitec Participation Trust and the enforcer of the Aplitec Holdings Participation Trust will be professional firms or authorised dealers.
- 10.3.8** The NUEP special convertible preference shares held by the Aplitec Holdings Participation Trust will have the same minority protection rights, as are enjoyed by all shareholders in companies that have shares that are registered under the US Securities Exchange Act of 1934 and rules of the relevant stock exchange, to the extent that any such rights exist. In the future, NUEP will seek a listing on an exchange which is a full member of the World Federation of Exchanges.

10.4 NUEP Offering Document

Aplitec shareholders are referred to the NUEP Offering Document (particularly the "Risk Factors" section) which has been included in the folder and Aplitec shareholders are advised to consider and understand the contents thereof in connection with the reinvestment option and take professional advice in relation thereto.

10.5 Mechanics of trading on the OTC Bulletin Board and information dissemination

10.5.1 Shares of NUEP common stock are quoted on the OTC Bulletin Board. The OTC Bulletin Board is a regulated quotation service that displays real-time quotes, last-sale prices, and volume information in participating over-the-counter securities. An equity security is generally eligible to be quoted on the OTC Bulletin Board if it is not listed or traded on NASDAQ or a USA national securities exchange. OTC Bulletin Board securities include USA national and regional, and non-USA equity issues, warrants, units, American depository receipts and direct participation programs.

- 10.5.2** The OTC Bulletin Board is not an issuer listing service, market or exchange. Although the OTC Bulletin Board does not have any listing requirements *per se*, to be eligible for quotation on the OTC Bulletin Board, issuers must remain current in their filings with the SEC or applicable regulatory authority. Market makers will not be permitted to begin quotation of a security whose issuer does not meet this filing requirement. Securities already quoted on the OTC Bulletin Board that become delinquent in their required filings will be removed following a 30 or 60 day grace period if the issuer does not make the required filing during that time. A fifth character of “E” in a security’s trading symbol is used to denote securities that the National Association of Securities Dealers believes are delinquent in their required filings. Securities so denoted will be removed from the OTC Bulletin Board after the applicable grace period expires.
- 10.5.3** Issuers that are quoted on the OTC Bulletin Board are subject to many of the provisions of the Sarbanes-Oxley Act of 2002. In particular, the certification requirements mandated by Section 302 of such Act are in effect and issuers that are found not to be in compliance with these requirements subject their securities to removal from the OTC Bulletin Board on the basis that the issuer is delinquent in its required filings with the SEC or applicable regulatory authority.
- 10.5.4** NUEP files annual, quarterly and current reports, proxy statements and other information with the SEC. Any reports, statements or other information filed by NUEP may be read and copied at the SEC’s Public Reference Room at 450 Fifth Street, N.W., Washington, D.C. 20549, USA. Further information on the operation of the Public Reference Room may be obtained by calling the SEC at 091-1-800-SEC-0330. Copies of this information may also be obtained by mail from the Public Reference Section of the SEC, 450 Fifth Street, N.W., Room 1024, Washington, D.C. 20549, at prescribed rates, or from commercial document retrieval services. The SEC maintains a website that contains reports, proxy statements and other information, including those filed by NUEP at <http://www.sec.gov>
- 10.5.5** Aplitec shareholders are referred to Annexure 16 to the Section 228 circular and the NUEP Offering Document for the historic trading volumes and high and low bid information per share of the NUEP common stock quoted on the OTC Bulletin Board.

11. TAXATION CONSIDERATIONS

11.1 Personal taxation considerations

Shareholders are advised to consult their professional tax advisors about their personal tax positions regarding the rescission offer and the receipt of the advance distribution and the reinvestment option.

11.2 NUEP taxation considerations

There is no statutory, judicial or administrative authority that directly addresses the tax treatment of non-USA holders who elect to receive units in a trust representing beneficial interests in New Aplitec B class preference shares and B class loans issued by New Aplitec pursuant to the reinvestment option. NUEP believes that these interests should be treated for USA federal income tax purposes (and NUEP intends to treat them) as separate and distinct interests in New Aplitec. As such, NUEP and its affiliates do not intend to withhold any amounts for USA federal taxes in respect of such interests.

There is a risk, however, that these interests, together with the NUEP special convertible preference shares, will be treated as representing a single direct equity interest in NUEP for USA federal income tax purposes. In such case, distributions received with respect to the New Aplitec B class preference shares and B class loans could be subject to USA federal withholding tax. Should non-USA holders fail to pay the USA federal tax associated with such distributions, NUEP may be liable for such taxes in its capacity as withholding agent. In addition, NUEP’s failure to collect and remit USA federal withholding tax may also subject it to penalties.

12. OPINIONS, CONSENTS AND RECOMMENDATIONS

12.1 RMB, in its capacity as independent advisor to the minority shareholders of Aplitec, advised the Board that it is of the opinion that the terms and conditions of the active transactions are fair and reasonable to Aplitec shareholders. The text of the letter from RMB was contained in Annexure 7 to the Section 228 circular.

12.2 The Board is of the opinion that it is in the best interests of Aplitec shareholders to **VOTE AGAINST** (i.e. not accept) the rescission offer. The members of the Board, to the extent allowed by the JSE and SRP, intend to vote in respect of the rescission offer as shown in the table below:

	Aplitec ordinary shares held	Aplitec ordinary shares to be VOTED AGAINST the rescission offer
Mr Jeffrey Charles Livingstone	3 100 000	3 100 000
Mr Derek Geoffrey Sidney Muller	–	–
Dr Serge Christian Pierre Belamant	14 237 841	14 237 841
Mr Herman Gideon Kotze	–	–
Mr Barry John Stuart Hore	–	–

12.3 The sub-committee of the Board was in agreement with the conclusion of RMB as set out in paragraph 12.1 above. The members of the Board, to the extent allowed by the JSE and SRP, intend to elect the reinvestment option as shown in the table below:

	Aplitec ordinary shares held	Aplitec ordinary shares in favour of reinvestment option
Sub-committee of the Board		
Mr Jeffrey Charles Livingstone	3 100 000	†
Mr Derek Geoffrey Sidney Muller	–	–
Other members of the Board		
Dr Serge Christian Pierre Belamant	14 237 841	14 237 841
Mr Herman Gideon Kotze	–	–
Mr Barry John Stuart Hore	–	–

† Undecided.

12.4 Each of the auditors and reporting accountants, legal advisors, sponsors, corporate advisor, independent advisor to the minority shareholders and transfer secretaries have consented in writing to act in the capacities stated and to their names being included in this circular and have not withdrawn their consent prior to the publication of this circular.

13. DIRECTORS' RESPONSIBILITY STATEMENT

The directors, insofar as the information relates to Aplitec:

13.1 have considered all statements of fact and opinion contained in this circular;

13.2 accept, individually and collectively, full responsibility for such statements;

13.3 certify that, to the best of their knowledge and belief, there are no omissions of material facts or considerations which would make any statements of fact or opinion contained in this circular false or misleading;

13.4 have made all reasonable enquiries to ascertain such facts; and

13.5 certify that this circular contains all information required by law and the Listings Requirements of the JSE.

By order of the Board

Light & Livingstone Financial Services CC

Company Secretary

Signed on behalf of the Directors of Aplitec on 17 May 2004.

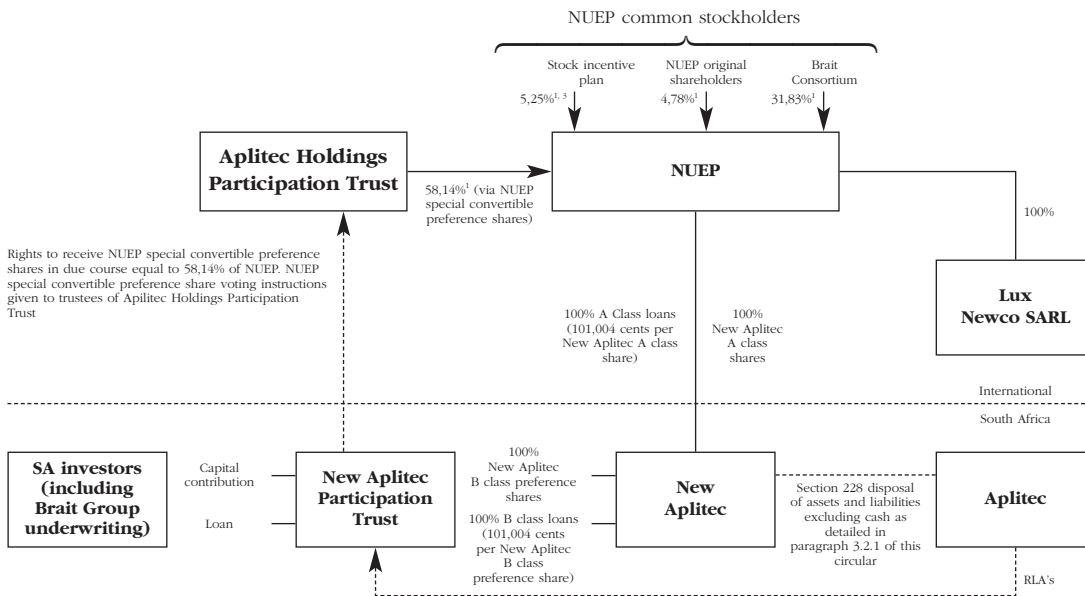
Registered office

Light & Livingstone Financial Services CC
3rd Floor, Palm Grove
196 Louis Botha Avenue
Houghton Estate, 2198
(PO Box 46079, Orange Grove, 2119)

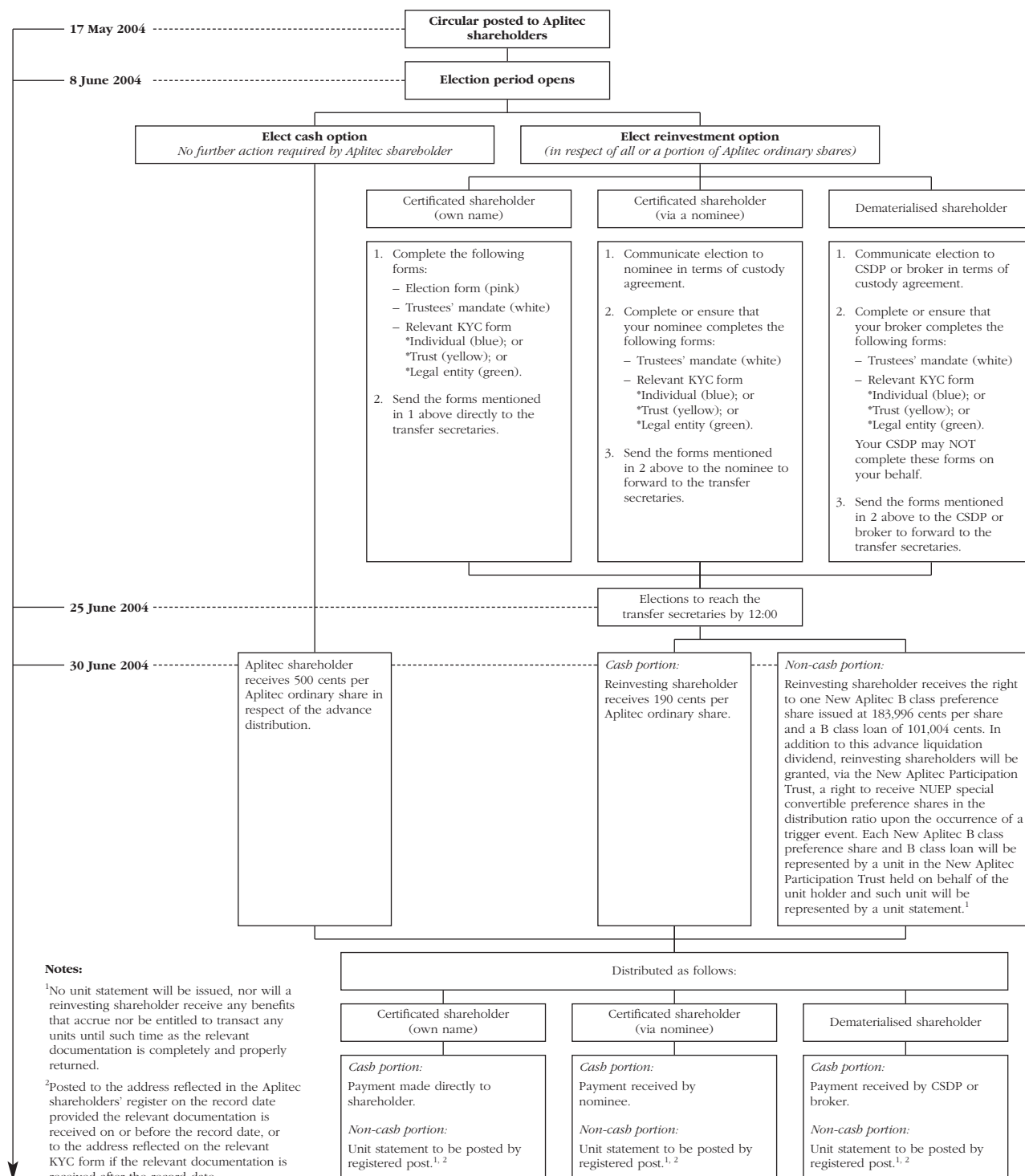
Transfer secretaries to Aplitec

Ultra Registrars (Proprietary) Limited
11 Diagonal Street
Johannesburg, 2001
(PO Box 4844, Johannesburg, 2000)

Explanatory diagram of the reinvestment option



Election process



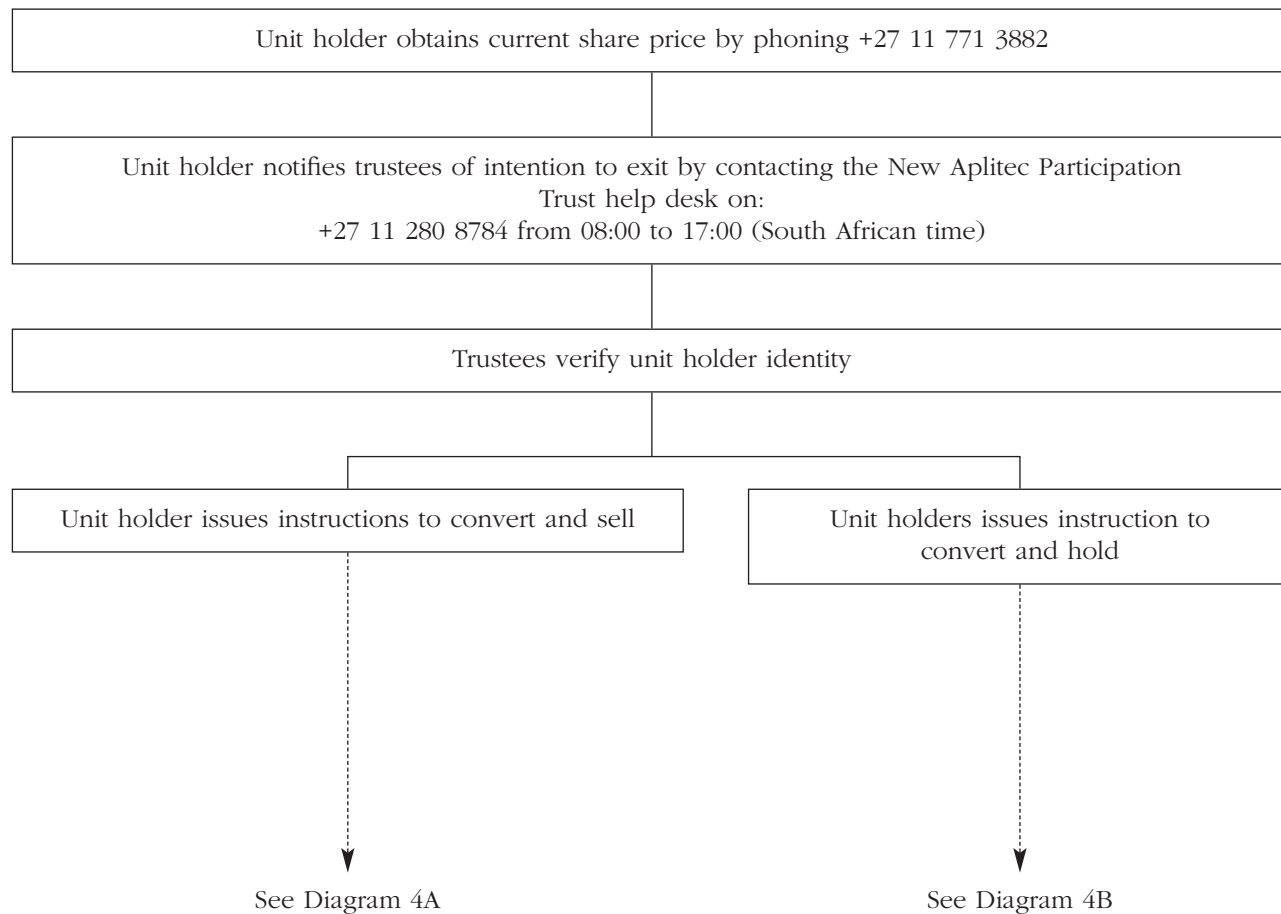
Administrative functions of the trustees *vis-à-vis* unit holders

The trustees shall be responsible for the following functions:

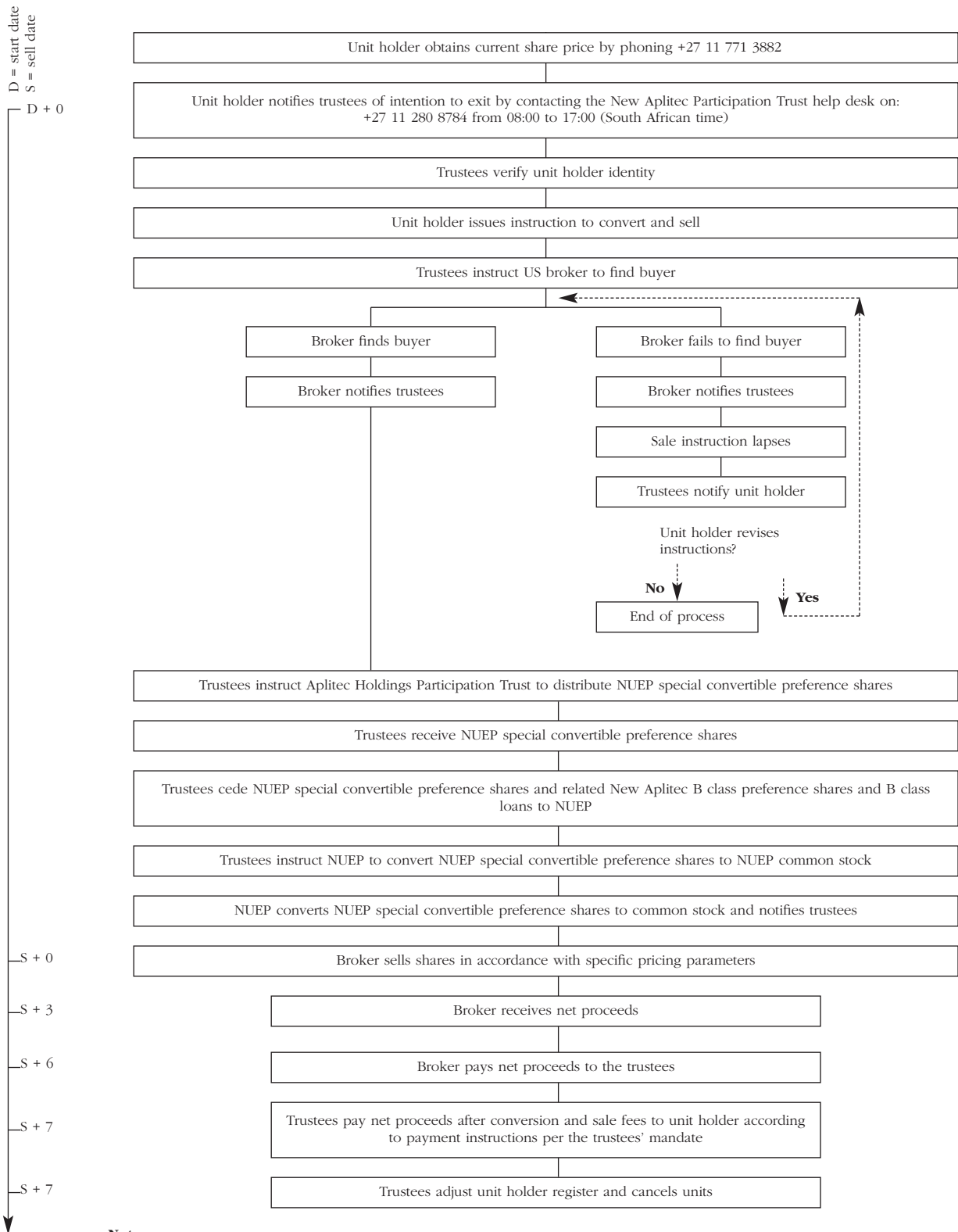
- Issuing of unit statements upon the receipt of all documentation required in terms of the circular and biannually thereafter;
- Issuing of tax statements annually;
- Attending to communication involving corporate actions;
- Convening meetings of unit holders;
- Distribution of NUEP dividends to unit holders;
- Distribution of New Aplitec dividends to unit holders;
- Distribution of company documents re: voting options in New Aplitec to unit holders;
- Distribution of company documents re: voting options in NUEP to unit holders;
- Collation and distribution of elections from unit holders to the Aplitec Holdings Participation Trust;
- Collation and distribution of elections from unit holders to New Aplitec;
- Receiving instructions from unit holders to convert and sell shares;
- Instructing the Aplitec Holdings Participation Trust to distribute special convertible preference shares to the New Aplitec Participation Trust;
- Ceding New Aplitec B class preference shares and B class loans to NUEP and transferring of NUEP special convertible preference shares to NUEP to effect conversion to NUEP common stock;
- Instructing the USA broker to sell NUEP common stock per the unit holder's request;
- Transferring units from deceased unit holder to heir/s;
- Distribution of interest on and repayment of New Aplitec B class loans to unit holders as per *ad hoc* requests from the New Aplitec board;
- Receipt of proceeds from the sale of the NUEP common shares, the distribution thereof to the relevant unit holders, cancelling of units and recording/updating the unit holders' register;
- Issuing tax schedule to South African Revenue Services annually;
- Complying with South African Reserve Bank requirements;
- Complying with fiduciary responsibilities of a trustee;
- Complying with Financial Services Board requirements; and
- Regular communications with trustees and the enforcer of the Aplitec Holdings Participation Trust to ensure smooth information and documentation flow between the Aplitec Holdings Participation Trust and the New Aplitec Participation Trust.

Exit process

Exit alternatives:



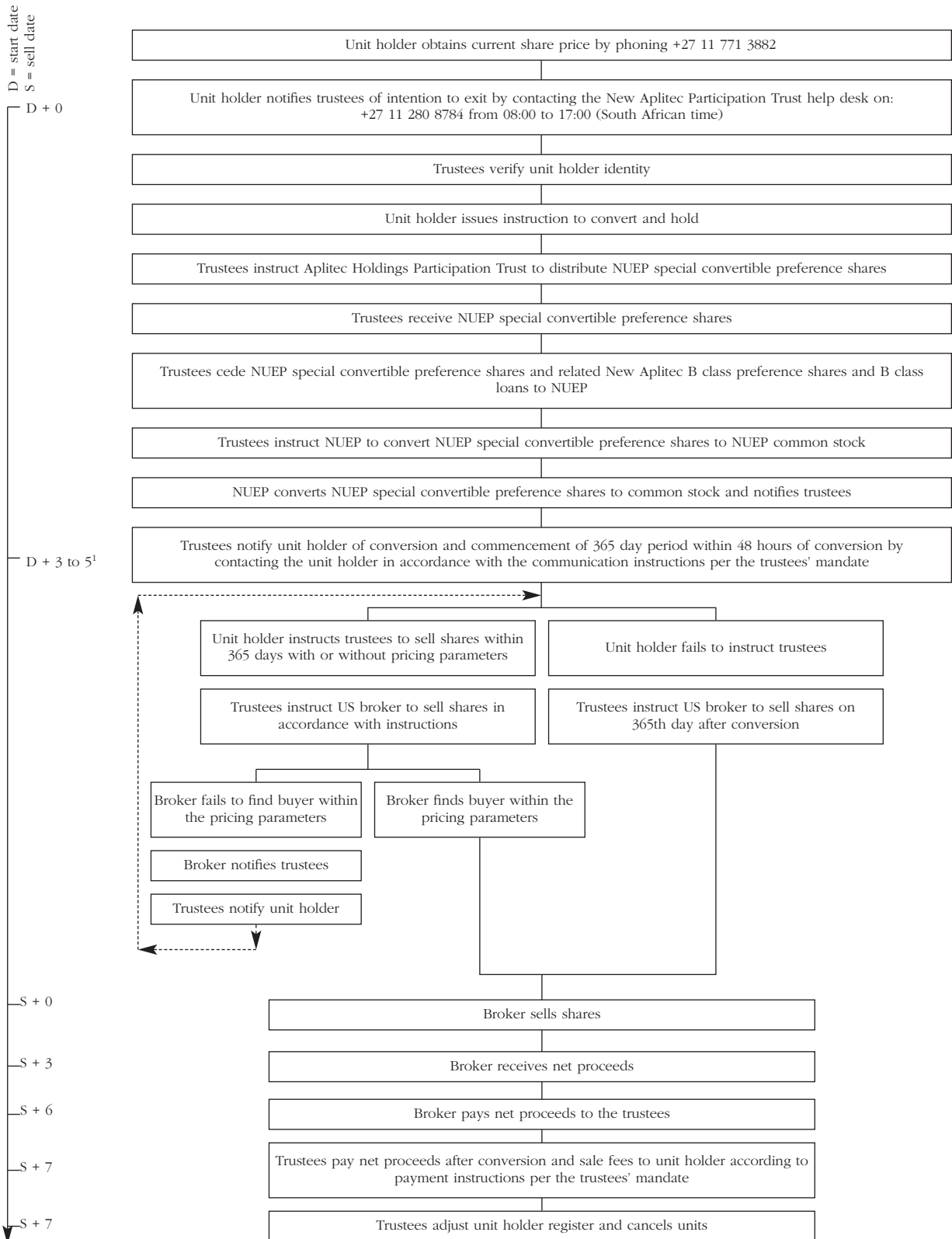
Exit process (conversion and sale)



Note:

1. Timing of the sale will depend on the liquidity in the market.
2. The international payment between broker and trustees is estimated to take 3 – 5 days.

Exit process (conversion and hold)



Note:

1. The conversion process is expected to take approximately 3 – 5 days.
2. The international payment between broker and trustees is estimated to take 3 – 5 days.



NET1 APPLIED TECHNOLOGY HOLDINGS LIMITED

(Incorporated in the Republic of South Africa)

(Registration number 1997/007207/06)

ISIN: ZAE000024113 Share code: APL

("Aplitec" or "the Company")

Directors

Dr Serge Christian Pierre Belamant (*Chief Executive Officer*) †

Herman Gideon Kotze

Jeffrey Charles Livingstone *

Barry John Stuart Hore*

Derek Geoffrey Sidney Muller *

*Non-executive

†French

Notice of general meeting

Notice is hereby given that a general meeting of ordinary shareholders of Aplitec will be held in the boardroom at 4th Floor, North Wing, President Place, Corner Jan Smuts Avenue and Bolton Road, Rosebank at 08:30 on Monday, 7 June 2004 (or, should this general meeting be postponed for any reason whatsoever, commencing on the date to which the general meeting will be postponed, of which shareholders will be advised by way of a press announcement), for the purpose of considering and, if deemed fit, passing, with or without modification, the following ordinary resolution:

ORDINARY RESOLUTION NUMBER 1

"RESOLVED AS AN ORDINARY RESOLUTION THAT:

The offer to rescind any acceptance of securities of Net1 UEPS Technologies, Inc. (IRS Employer Identification No. 65-0903895) that may have occurred as a result of the disclosures made by Aplitec to its shareholders in the form of:

- the announcement to shareholders regarding the receipt of an offer and further cautionary announcement on Friday, 24 October 2003;
- the terms announcement on Thursday, 30 October 2003; and
- the circular in terms of section 228 of the Companies Act, 1973 (Act 61 of 1973), as amended, which circular was dated Monday, 17 November 2003, relating to the sale of all Aplitec's assets and delegation of all its liabilities to Net1 Applied Technologies South Africa Limited,

be and is hereby approved."

VOTING AND PROXIES

If the holders of a majority of the issued Aplitec ordinary shares VOTE FOR accepting the ordinary resolution above, the active transactions (as defined in the circular to Aplitec shareholders dated 17 May 2004 to which this notice of general meeting is attached ("circular")) WILL NOT be consummated as a result of the failure of certain of the suspensive conditions to which the active transactions are subject and Aplitec shareholders will receive neither the cash option nor the reinvestment option (as defined in the circular).

If the holders of a majority of the issued Aplitec ordinary shares VOTE AGAINST accepting the ordinary resolution above, the active transactions will be consummated as originally contemplated and Aplitec shareholders, regardless of their vote on the rescission offer (as defined in the circular), will receive cash, or if they elect the reinvestment option, cash and interests in the New Aplitec Participation Trust (as defined in the circular), subject to the satisfaction of any outstanding unfulfilled suspensive conditions.

Dematerialised shareholders, other than those shareholders with own name registration, must provide their Central Securities Depository Participant (“CSDP”) or broker with their instructions for attendance or voting at the general meeting in the manner stipulated in the custody agreement. These instructions must be provided to the CSDP or broker by the cut-off time and date advised by the CSDP or broker for instructions of this nature.

Certificated shareholders and dematerialised shareholders with own name registration who are unable to attend the general meeting and who wish to be represented thereat should complete and return the attached form of proxy (grey) in accordance with the instructions therein to Aplitec’s transfer secretaries, Ultra Registrars (Proprietary) Limited (see details below) by no later than 08:30 on Friday, 4 June 2004. The details of the transfer secretaries are as follows:

Ultra Registrars (Proprietary) Limited
11 Diagonal Street
Johannesburg, 2001
(PO Box 4844, Johannesburg, 2000)

Certificated shareholders who hold their shares through a nominee or broker must provide such nominee or broker with their instructions for attendance and voting at the general meeting in the manner stipulated in the custody agreement. These instructions must be provided to the nominee or broker by the cut-off time and date advised by the nominee or broker for instructions of this nature.

A shareholder entitled to attend and vote at the general meeting is entitled to appoint a proxy to attend and speak and, on a poll, vote in such shareholder’s stead. A proxy need not be a shareholder of the Company.

On a show of hands every shareholder present in person or represented by proxy shall have one vote for every share held and, on a poll, every shareholder present in person or represented by proxy shall have one vote for every share held.

By order of the Board

Light and Livingstone Financial Services CC

Company Secretary

Johannesburg
17 May 2004

Registered office

Light & Livingstone Financial Services CC
3rd Floor, Palm Grove
196 Louis Botha Avenue
Houghton Estate, 2198
(PO Box 46079, Orange Grove, 2119)

Transfer secretaries

Ultra Registrars (Proprietary) Limited
11 Diagonal Street
Johannesburg, 2001
(PO Box 4844, Johannesburg, 2000)



NET1 APPLIED TECHNOLOGY HOLDINGS LIMITED

(Incorporated in the Republic of South Africa)

(Registration number 1997/007207/06)

ISIN: ZAE000024113 Share code: APL

("Aplitec" or "the Company")

Form of proxy

General meeting

For use by certificated shareholders and dematerialised shareholders who have own name registration recorded on the register of Aplitec shareholders and who are entitled to attend and vote at the general meeting to be held at 08:30 on Monday, 7 June 2004 in the boardroom at 4th Floor, North Wing, President Place, corner Jan Smuts Avenue and Bolton Road, Rosebank.

Holders of dematerialised shares other than dematerialised shareholders who have own name registration, must inform their Central Securities Depository Participant ("CSDP") or broker of their intention to attend the general meeting and request their CSDP or broker to issue them with the necessary authorisation to attend the general meeting in person or provide their CSDP or broker with their voting instructions should they not wish to attend the general meeting in person. These instructions must be provided to the CSDP or broker by the cut-off time and date advised by the CSDP or broker for instructions of this nature.

Certificated shareholders who hold their shares through a nominee or broker must provide such nominee or broker with their instructions for attendance and voting at the general meeting in the manner stipulated in the custody agreement. These instructions must be provided to the nominee or broker by the cut-off time and date advised by the nominee or broker for instructions of this nature.

A shareholder entitled to attend and vote at the general meeting is entitled to appoint a proxy to attend and speak and, on a poll, vote in such shareholder's stead. A proxy need not be a shareholder of the Company.

I/We (BLOCK LETTERS PLEASE)

of

being (a) member(s) of the Company, hereby appoint:

or failing him/her, the chairman of the general meeting,

as my/our proxy to vote for me/us on my/our behalf at the general meeting of the Company to be held at 08:30 on Monday, 7 June 2004, and any adjournment thereof.

Signed at _____ this _____ day of _____ 2004

Signature _____

Please indicate in the space below how you wish your votes to be cast by inserting the number of shares in the appropriate space. If you return this form duly signed, without any specific directions, the proxy shall be entitled to vote as he/she thinks fit.

If the holders of a majority of the issued Aplitec ordinary shares VOTE FOR accepting the rescission offer (as defined in the circular to Aplitec shareholders dated 17 May 2004 to which this form of proxy is attached ("circular")), the active transactions (as defined in the circular) WILL NOT be consummated as a result of the failure of certain of the suspensive conditions to which the active transactions are subject and Aplitec shareholders will receive neither the cash option nor the reinvestment option (as defined in the circular).

If the holders of a majority of the issued Aplitec ordinary shares VOTE AGAINST accepting the rescission offer, the active transactions will be consummated as originally contemplated and Aplitec shareholders, regardless of their vote on the rescission offer (as defined in the circular), will receive cash, or if they elect the reinvestment option, cash and interests in the New Aplitec Participation Trust (as defined in the circular), subject to the satisfaction of any outstanding unfulfilled suspensive conditions.

	Number of votes*		
	For accepting the rescission	Against accepting the rescission	Abstain
Ordinary resolution number 1 – regarding the rescission offer			

*One vote per share held by the shareholder.

Please read the notes on the reverse side hereof.

Notes:

1. Each shareholder is entitled to appoint one or more proxies (none of whom need be a member of the Company) to attend, speak and vote or abstain from voting in place of that shareholder at the general meeting.
2. A shareholder may insert the name of a proxy or the names of two alternative proxies of the shareholder's choice in the space provided, with or without deleting "the chairman of the general meeting", but any such deletion must be initialled by the shareholder. The person whose name stands first on this form of proxy and who is present at the general meeting will be entitled to act as proxy to the exclusion of those whose names follow.
3. A shareholder's instructions to the proxy must be indicated by the insertion of the relevant number of shares to be voted on behalf of that shareholder in the appropriate box provided. Failure to comply with the above will be deemed to authorise the chairman of the general meeting, if the chairman is the authorised proxy, to **VOTE AGAINST** accepting the ordinary resolution at the general meeting, or any other proxy to vote or abstain from voting at the general meeting as the shareholder deems fit, in respect of all the shares concerned.
4. The chairman of the general meeting may, in the chairman's discretion, reject or accept any form of proxy which is completed and/or received, other than in compliance with these instructions and notes.
5. A shareholder or such shareholder's proxy is not obliged to vote in respect of all of the shares held or represented by such shareholder but the total number of votes for or against the ordinary resolution and in respect of which any abstention is recorded, may not exceed the total number of votes to which the shareholder or such shareholder's proxy is entitled.
6. Forms of proxy must be lodged at or mailed to the Company's transfer secretaries, Ultra Registrars (Proprietary) Limited, 11 Diagonal Street, Johannesburg, 2001 (PO Box 4844, Johannesburg, 2000) to be received by no later than 08:30 on Friday, 4 June 2004 (or such later date as is advised in the press in relation to any adjournment of the general meeting).
7. The completion and lodging of this form of proxy will not preclude the relevant shareholder from attending the general meeting and speaking and voting or abstaining from voting in person thereat to the exclusion of any proxy appointed in terms hereof, should such shareholder wish to do so.
8. Any alteration or correction made to this form of proxy must be initialled by the signatory/ies.
9. Documentary evidence establishing the authority of a person signing this form of proxy in a representative capacity must be attached to this form of proxy unless previously recorded by the Company's transfer secretaries, or waived by the chairman of the general meeting.

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to what action to take, please consult your Central Securities Depository Participant (“CSDP”), banker, broker, legal advisor, accountant or other professional advisor immediately.

If you have disposed of all or part of your shares in Net1 Applied Technology Holdings Limited, this document should be handed to the purchaser of such shares or the broker, banker or other agent through whom the disposal was affected.



NET1 APPLIED TECHNOLOGY HOLDINGS LIMITED

(Incorporated in the Republic of South Africa)

(Registration number 1997/007207/06)

ISIN: ZAE000024113 Share code: APL

(“Aplitec” or “the Company”)

Directors

Dr Serge Christian Pierre Belamant (*Chief Executive Officer*) †

Herman Gideon Kotze

Jeffrey Charles Livingstone *

Barry John Stuart Hore *

Derek Geoffrey Sidney Muller *

*Non-executive

†French

Form of election to Aplitec shareholders

Regarding the offer to Aplitec shareholders recorded as such in the shareholders’ register of Aplitec at the close of business on Friday, 25 June 2004 (“the record date”) of an election to receive:

- the cash payment of 190 cents per Aplitec ordinary share;
- an investment in Net1 Applied Technologies South Africa Limited (“New Aplitec”) via a South African bewind trust; and
- the right to receive shares in Net1 UEPS Technologies, Inc. (IRS Employer Identification No: 65-0903895) (“NUEP”) which will become the holding company of New Aplitec in due course (collectively, “the reinvestment option”)

in lieu of a cash payment of 500 cents per Aplitec ordinary share (“the cash option”) on the record date.

IF YOU WISH TO RECEIVE THE CASH OPTION, YOU NEED NOT COMPLETE AND RETURN THIS FORM OF ELECTION AND NO FURTHER ACTION IS REQUIRED. IF YOU WISH TO RECEIVE THE REINVESTMENT OPTION FOR ALL OR PART OF YOUR SHAREHOLDING AND YOU HAVE NOT YET DEMATERIALISED YOUR SHARES, YOU MUST COMPLETE THIS FORM OF ELECTION AND RETURN IT TO THE TRANSFER SECRETARIES TO BE RECEIVED BY NO LATER THAN 12:00 ON FRIDAY, 25 JUNE 2004. PLEASE REFER TO THE INSTRUCTIONS BELOW AND THE NOTES ON THE REVERSE SIDE OF THIS FORM BEFORE COMPLETING ALL RELEVANT DETAILS. SHAREHOLDERS WHO HAVE DEMATERIALISED THEIR SHARE CERTIFICATES IN TERMS OF STRATE LIMITED (“STRATE”) OR DO NOT HOLD SHARE CERTIFICATES IN THEIR OWN NAME MUST NOT COMPLETE THIS FORM OF ELECTION BUT MUST CONTACT THEIR CSDP, NOMINEE OR BROKER. THE CERTIFICATED SHAREHOLDER’S NOMINEE MUST, HOWEVER, COMPLETE THIS FORM OF ELECTION IF HE/SHE WISHES TO ELECT THE REINVESTMENT OPTION.

Enquiries in connection with this form should be directed to:

The transfer secretaries, Ultra Registrars (Proprietary) Limited, 11 Diagonal Street, Johannesburg, 2001 (PO Box 4844, Johannesburg, 2000)
Telephone (+2711) 834 2266, Facsimile (+2711) 834 4398

Name and address of registered shareholder at close of business on Friday, 25 June 2004	Number of Aplitec ordinary shares held on the record date
(A)	(B)

Summary of election choices	Action to be taken
1. If you wish to receive the cash option in respect of your entire Aplitec shareholding	Do not complete this form of election. Take no action (C)
2. If you wish to receive the reinvestment option in respect of all or part of your Aplitec shareholding	Complete this form of election, the trustees' mandate (white) and relevant KYC form for individuals (blue), trusts (yellow) or legal entities (green) and return these in accordance with paragraphs 3 or 4 below.

Number of Aplitec ordinary shares held on the record date in respect of which I/we wish to receive the reinvestment option	Insert number here (D)
Date of signature	Signature

Instructions on how to complete the form of election:

- (1) For a summary of the terms and conditions of the cash option and the reinvestment option, please refer to the circular or should you require greater details thereof please refer to the section 228 circular posted to Aplitec shareholders on Monday, 17 November 2003.
- (2) Should you wish to receive the cash option in respect of your entire Aplitec shareholding as indicated in block (B) above, you are required to take no further action and you may discard this form of election.
- (3) Should you wish to receive the reinvestment option in respect of your entire Aplitec shareholding as indicated in block (B) above, you are required to insert in block (D) above the number of Aplitec ordinary shares shown in block (B) above.
- (4) Should you wish to receive the reinvestment option in respect of only part of your Aplitec shareholding, then you are required to insert in block (D) above only that lesser number of Aplitec ordinary shares in respect of which you wish to receive the reinvestment option. You will then be allotted the cash option in respect of the balance of your shareholding.
- (5) No receipts will be issued for forms of election lodged unless specially requested. In compliance with the requirements of the JSE Securities Exchange South Africa ("JSE"), lodging agents requiring receipts are requested to prepare special transaction receipts.
- (6) A minor must be assisted by his/her parent or guardian.
- (7) Where Aplitec ordinary shares are jointly held, this form of election must be signed by all joint holders.
- (8) If this form of election is signed under power of attorney, such document must be produced unless it has previously been noted by the transfer secretaries of Aplitec or the documents have been lodged with a JSE broker and this form of election bears the stamp of that broker.
- (9) If the Aplitec shareholder is a deceased estate, this form of election must be accompanied by the Letters of Executorship unless the relevant documents have been lodged with a JSE broker and this form of election bears the stamp of that broker.
- (10) If the Aplitec shareholder does not complete this form of election correctly, he/she shall be deemed to have elected the cash option in respect of his/her entire Aplitec shareholding.
- (11) An Aplitec shareholder who has dematerialised his/her share certificate in terms of STRATE must NOT complete this form but should notify his/her duly appointed CSDP, nominee or broker of his/her election in the manner and time stipulated in the custody agreement governing the relationship between the dematerialised shareholder and his/her CSDP, nominee or broker. Where such Aplitec shareholder wishes to provide a new address to which share statement(s) is/are to be posted, he/she should contact his/her CSDP, nominee or broker and provide such details so that his/her CSDP, nominee or broker can, in turn, inform the transfer secretaries.

NB: TEAR OFF AND RETURN TO THE TRANSFER SECRETARIES.

TRUSTEES' MANDATE
Memorandum of Agreement

between

_____ (Full Names)

(Identification/Passport/Registration Number _____)

(hereinafter referred to as "the unit holder")

and

First National Asset Management and Trust Company (Pty) Limited

(Registered number 1986/003488/07)

(hereinafter referred to as "the trustees")

1. DEFINITIONS

For the purposes of this agreement, the words and expressions used shall have the same meanings as is contained in the prospectus of New Aplitec and the circular of Aplitec, The Stock Exchanges Control Act, 1985 (Act 1 of 1985) and the Financial Markets Control Act, 1989 (Act 55 of 1989) and the regulations applicable to both those Acts as determined by the Minister of Finance and published under Government Notices 1583 and 1584 in the Government Gazette 22414 of 29 June 2001 unless the context clearly indicates otherwise.

"Aplitec"	Net1 Applied Technology Holdings Limited (Registration number 1997/007207/06), a public company incorporated in South Africa on 14 May 1997 under the name Javelin Housing (Proprietary) Limited, which name was changed on 12 September 1997 and the shares of which are currently listed on the JSE;
"Aplitec Holdings Participation Trust"	a "STAR" or purpose trust created under Part VIII of the Trust Law (2001 Revision) of the Cayman Islands;
"Brait Group"	Brait S.A., a company incorporated in Luxembourg whose shares are quoted on the Luxembourg and London stock exchanges and the JSE, and its subsidiary, affiliate and associate companies and/or funds under its management, which are funded by South African and USA institutional investors;
"broker/s"	the broker/s nominated by NUEP to sell the NUEP common stock;
"business day"	any day other than a Saturday, Sunday or public holiday in South Africa;
"circular"	the circular from Aplitec to its shareholders to be dated on or about 17 May 2004;
"corporate actions"	an action taken by an issuer or any other entity or third party which affects the unit holder/shareholder in terms of entitlements or notifications;
"effective date"	notwithstanding the signature date hereof, the date on which the unit holder elected the reinvestment option;
"FICA"	the Financial Intelligence Centre Act, 2001 (Act 38 of 2001), as amended;
"KYC form"	know your client form, required to be completed in terms of the "know your client" requirements of FICA and intended to elicit the information and documentation necessary to enable accountable institutions, including the trustees, to establish and verify the identity of their clients in compliance with FICA;
"New Aplitec"	Net1 Applied Technologies South Africa Limited (Registration number 2002/031446/06), a public company initially incorporated in South Africa as a private company under the name Newshelf 713 (Proprietary) Limited, which company was subsequently converted to a public company on 13 February 2004;
"NUEP"	Net1 UEPS Technologies, Inc. (IRS Employer Identification No. 65-0903895), a company incorporated in the State of Florida, USA and quoted on the OTC Bulletin Board;
"OTC Bulletin Board"	a regulated quotation service in the USA that displays real time quotes, last traded prices and volume information on participating over-the-counter securities;
"prospectus"	the New Aplitec prospectus issued to Aplitec shareholders in terms of Section 145 of the Companies Act, 1973 (Act 61 of 1973), as amended;
"reinvestment option"	an advance liquidation dividend comprising a cash payment of 190 cents per Aplitec ordinary share and the crediting of 285 cents investment in New Aplitec via the trust to reinvesting shareholders registered as such on the record date. In addition to this advance liquidation dividend, reinvesting shareholders will be granted, via the New Aplitec Participation Trust, a right to receive, as fully paid-up, NUEP special convertible preference shares in the distribution ratio, in due course. The reinvestment option has been fixed at an exchange rate of ZAR7 : USD1 which was the exchange rate used to determine the number of NUEP special convertible preference shares to be issued to the Aplitec Holdings Participation Trust;
"share/s"	New Aplitec B class preference shares and associated B class loans, NUEP special convertible preference shares and NUEP common stock, severally and collectively, held by the trust on behalf of a unit holder and represented as units;
"trigger event"	a trigger event occurs when a unit holder gives notice to the trust in writing of his intention to convert some or all of his New Aplitec B class preference shares and B class loans attributable to him held by the New Aplitec Participation Trust. A trigger event also includes: <ul style="list-style-type: none">- the abolition or relaxation of Exchange Control by the South African Reserve Bank to permit reinvesting shareholders to hold NUEP common stock directly;- the winding-up or placing under judicial management, whether provisionally or finally, of New Aplitec; or- the winding-up or placing under judicial management, whether provisionally or finally, of NUEP;
"trust"	the New Aplitec Participation Trust (Master's reference number IT 8094/03), a South African bewind trust;

6. STATEMENTS OF ACCOUNT

The trustees shall, not less frequently than at intervals of every six months furnish the unit holder, or his duly appointed nominee or broker, with statements of account which shall, *inter alia*, show:

- 6.1 any change, since the date of the previous statement provided, in the units held on behalf of the unit holder, including particulars of any such items delivered to the unit holder;
- 6.2 the composition and market value of the units held on behalf of the unit holder; and
- 6.3 details of all cash balances held on behalf of the unit holder, including details of cash received and payments made by the trustees on behalf of the unit holder since the date of the previous statement of account.

7. INVESTMENT RESPONSIBILITY

- 7.1 The trustees cannot be held responsible for loss arising from any cause whatsoever, including depreciation in the value of assets acquired or retained, unless attributable to fraud, bad faith or gross negligence on the part of the trustees.
- 7.2 In particular, the unit holder acknowledges having been made aware of the risks pertaining to an investment in financial instruments in both the local and foreign markets, that is in the buying and selling of financial instruments, as referred to in the risk disclosure documents issued by individual financial exchanges from time to time in relation to specific financial markets, which disclosure documents are available for perusal by the unit holder at the trustees' domicilium address designated in paragraph 15 overleaf. The unit holder hereby records having accepted such risks, including currency risks, which may result in financial loss to the unit holder, and will not hold the trustees responsible therefor.

8. LIQUIDITY POLICY

Liquid assets in the form of call money will earn interest at the trustees' standard call account rate (tiered), pending payment to the unit holder.

9. MANDATE RESTRICTIONS

- 9.1 The trustees may not directly or indirectly sell to or provide a third party with a unit holder's details, without the unit holder's prior written approval, other than in terms of statutory requirements.
- 9.2 **The trustees may not directly or indirectly charge the unit holder any kind of fee for terminating the mandate, other than accrued fees for services rendered before termination of the mandate.**
- 9.3 The account held in the name of the unit holder, or his duly appointed nominee or broker, will be held only in the form of units and/or cash.

10. COSTS

The unit holder will be charged a brokerage fee for conversion of shares at R110,00 and for sale of shares at R110,00 per transaction and fees will be recovered from the unit holder either by withholding of sufficient dividends to cover this transaction fee in the case of a conversion not immediately followed by a sale or from the sale proceeds where both transactions occur immediately one after the other.

All the fees payable to outside parties (brokers, agents, etc.) will be recovered in the same manner.

The trustees reserve the right to increase the transaction fee whenever necessary subject only to advising unit holders of such change in fees at their last known address 30 days prior to the increase taking effect.

11. TERMINATION OF AGREEMENT

- 11.1 This mandate shall terminate forthwith upon payment to the unit holder of the sale proceeds from the shares underlying his total unit holding in the trust.
- 11.2 This mandate shall terminate forthwith upon the trustees ceasing to be the trustees of the trust for whatsoever reason, more specifically the reasons contained in the prospectus, whereupon the trustees shall account to the unit holder forthwith.

12. AMENDMENT

No change to this agreement shall have any force or effect unless it is reduced to writing in the form of a supplementary or new agreement signed by both parties.

13. SPECIAL INSTRUCTIONS

The trustees record and the unit holder notes the following instructions:

13.1 Administrative

- 13.1.1 The trustees will refer all corporate actions to the unit holder with the exception of cash dividends, repayment of loan accounts and interest payments which will be communicated to the unit holder via unit statements. The unit holder records that it is understood that if the trustees do not receive the unit holder's advices in terms of elections/intentions by the return date which the trustees will determine, then and in such event, the unit holder will receive the default option that applies to the corporate action.
- 13.1.2 The trustees will only accept instructions from the unit holder or from a duly appointed person nominated by the unit holder and the trustees undertake to confirm telephonically such instructions with the unit holder or the duly appointed person nominated by the unit holder, before acting on any such instructions. The unit holder is to provide the trustees with the nominations as aforesaid in writing, together with specimen signatures and identity numbers, and the nominations may only be changed by the unit holder by means of written notification to the trustees.
- 13.1.3 Notwithstanding any other terms and conditions contained herein, the trustees shall not provide the services as per this agreement other than holding the unit holder's cash balances in an interest bearing account on his behalf until such time as the unit holder has completed and returned this agreement and the relevant KYC form for individuals (blue), trusts (yellow) or legal entities (green) in accordance with the instructions contained in the circular.

13.2 Conversion instruction

- 13.2.1 On receipt from the unit holder of his intention to convert his shares and after verification of his identity and intention, the trustees shall within 48 hours instruct the Aplitec Holdings Participation Trust to issue it with the appropriate number of NUEP special convertible preference shares.
- 13.2.2 On receipt of the NUEP special convertible preference shares the trustees will within 48 hours cede the New Aplitec B class preference shares and B class loans representing his units in the trust to NUEP and simultaneously instruct NUEP to convert the NUEP special convertible preference shares to NUEP common stock.
- 13.2.3 The unit holder will be notified that the 365 day period has commenced, within 48 hours following the conversion of the NUEP special convertible preference shares to NUEP common stock. (The 365 day period will commence on the date of conversion and not the date of notification.)

13.2.4 The trustees shall only be entitled to convert the NUEP special convertible preference shares in multiples of 100, unless the unit holder holds odd lots of units representing NUEP special convertible preference shares in a lesser number, in which event he/they shall be entitled to convert such odd lots of NUEP special convertible preference shares but only *en bloc*, not piecemeal. If any fractions of NUEP common stock arise as a result of the conversion of odd lots of NUEP special convertible preference shares, NUEP shall buy back the fractional NUEP common stock from the trust at its fair market value as determined in accordance with NUEP's articles of incorporation.

13.3 Selling instruction

13.3.1 Unless the unit holder issues instructions to convert and sell his shares simultaneously, the unit holder must issue the trustees with instructions to sell the NUEP common stock within 365 days of conversion thereof and failure to adhere to this requirement will force the trustees to place the shares with a broker for sale at best price on the 365th day or the nearest business day thereto.

13.3.2 The trustees will distribute the net proceeds (after brokerage fees, including any fees in terms of paragraph 10 above), of the sale of the units/shares, within 48 hours after receipt from the broker to the unit holder as instructed by the unit holder in terms of paragraph 5 above.

14. WAIVER AND INDEMNITY

14.1 The unit holder hereby waives any claim which it may have or acquire against the trustees and indemnifies and holds the trustees harmless for any loss, damage or claim which may be sustained as a result of the trustees receiving and/or acting upon instructions which have been transmitted/delivered to the trustees by means of e-mail, telephone, facsimile or in writing and which purport to have been issued or authorised by the unit holder, and the trustees having followed the procedures as set out in this agreement.

14.2 It is understood that all liability for errors, omissions or delays in transmission, or for misinterpretation on receipt, or for any loss or damage from whatsoever cause arising, or any other loss whatsoever, connected with such e-mail, telephone, facsimile or written instructions, shall be borne by the unit holder and the unit holder shall hold the trustees harmless, provided that the trustees follow the procedures as set out in this agreement.

14.3 The trustees will only accept such instructions from the unit holder or from a duly appointed person nominated by the unit holder and the trustees undertake to confirm telephonically such instructions with the unit holder or the duly appointed person nominated by the unit holder, before acting on any such instructions. The unit holder is to provide the trustees with the nominations as aforesaid in writing, together with specimen signatures and identity numbers, and the nominations may only be changed by the unit holder by means of written notification to the trustees.

14.4 The unit holder undertakes to notify the trustees in writing of any change of his banking and contact details as contained herein and hold the trustees harmless of any loss that he may suffer as a result of not adhering to this requirement.

15. DOMICILIUM

The parties hereby designate as their *domicilium citandi et executandi*, for all purposes of this agreement, the following addresses:

In respect of the unit holder: The address specified in the election.

In respect of the trustees:

First National Asset Management and Trust Company (Pty) Limited
Mezzanine Floor, 1 First Place, BankCity
corner Pritchard and Simmonds Streets
Johannesburg
2001

16. USA RESIDENT APLITEC SHAREHOLDERS

A USA resident Aplitec shareholder, by virtue of his signature of this trustees' mandate, shall be deemed to have given written notice causing the occurrence of a trigger event as a consequence of which, the trustees shall distribute the applicable NUEP common stock to such shareholder.

17. SIGNING OF THIS AGREEMENT

This Agreement will only become of force and effect on the effective date.

For:

For:

First National Asset Management and Trust Company (Pty) Limited

The unit holder
(Authorised signatory)

The trustees
(Authorised signatory)

Date _____

Date _____

The Manager: Investment Accounts
(Authorised signatory)

Date _____

KYC form – Individual

CONFIDENTIAL CLIENT DETAILS FOR **NATURAL PERSONS** IN TERMS OF THE KNOW YOUR CLIENT REQUIREMENTS AS PRESCRIBED BY THE FINANCIAL INTELLIGENCE CENTRE ACT

THIS KYC FORM MUST BE ACCOMPANIED BY THE DOCUMENTS REQUESTED HEREIN

Please contact Rob Williams on +27 11 280 8784 at First National Trust and Management Company (Pty) Limited should you have any queries with regard to the completion of this form.

Title: Mr/Mrs/Miss/Other (specify) _____

Surname _____

First names _____

1. Residential (physical) address

Postal code _____

Attach proof of physical address (rates account, Telkom account or home loan statement)

Telephone (H) () _____ Fax (H) () _____

Cell _____ e-mail (H) _____

Telephone (W) () _____ Fax (W) () _____

e-mail (W) _____

2. Postal address/Mailing address

Postal code _____

3. Preferred method of communication _____
(specify telephone work/home, cell phone, fax work/home, e-mail work/home)

4. Identity/Passport number _____

Date of birth _____

Attach certified copy of ID document/Passport

5. Republic of South Africa Income Tax number issued (Yes or No)? _____

Income Tax number _____

Tax type (provisional/normal) _____

Attach proof of registration with South African Revenue Services (salary slip/tax return/IRP5 or letter of employment)

6. Valuation method for Capital Gains Tax (weighted average/FIFO)

7. Exchange control status (resident/non-resident/emigrant blocked Rand)

If non-resident, emigrant blocked Rand, please complete the relevant portion of section 10 overleaf.

8. Source of funds _____

For inheritance:

– *certified copy of last will and testament to be attached;*

– *certified copy of liquidation and distribution account to be attached;*

– *other – please supply supporting documentation.*

9. Is account pledged (Yes or No)? _____

If account pledged, copy of deed of cession and irrevocable letter of undertaking required

10. Exchange control information

10.1 Full name and address of overseas bankers (if any)

Account number _____

10.2 Are you an emigrant (Yes/No)? _____

If your answer to 10.2 above is No, then proceed to 10.3

10.2.1 Have you officially emigrated? _____ (Yes or No)

10.2.2 Name and address of the bank (authorised dealer that handled your emigration formalities)

10.2.3 Date of departure from South Africa _____

10.2.4 Amount of settling-in allowance _____

10.2.5 Value of remaining assets in South Africa and by whom held _____

10.2.6 Emigrant's blocked asset account details

Account number _____

Bank _____

Branch _____

Code _____

10.2.7 Transferable income account details

Account number _____

Bank _____

Branch _____

Code _____

10.3 Are you a non-resident? _____ (Yes or No)

10.3.1 Transferable income account details

Account number _____

Bank _____

Branch _____

Code _____

If client is represented by an agent/guardian, attach certified documentary evidence of capacity to act (power of attorney/mandate/resolution) and complete a confidential client detail form.

Client signature _____

Date _____

All attached documentation that is not original must be certified as a true copy

KYC form – Trust

CONFIDENTIAL CLIENT DETAILS FOR **A TRUST** IN TERMS OF THE KNOW YOUR CLIENT REQUIREMENTS AS
PRESCRIBED BY THE FINANCIAL INTELLIGENCE CENTRE ACT

THIS KYC FORM MUST BE ACCOMPANIED BY THE DOCUMENTS REQUESTED HEREIN

Please contact Rob Williams on +27 11 280 8784 at First National Trust and Management Company (Pty) Limited should you have any queries with regard to the completion of this form.

Full name of trust _____

1. Master's Office reference number _____

2. Master's Office where registered _____

3. Postal address _____

_____ Postal code _____

4. Attach trustees' resolution confirming:

- that the New Aplitec Participation Trust may hold the units on behalf of the trust;
- details of the trustees/person/s who will sign all documentation on behalf of the trust;
- details of the trustees/person/s from whom the trustees of the New Aplitec Participation Trust are authorised to take instructions.

Contact person _____

Telephone () _____ Fax () _____

Cell _____ e-mail _____

5. The following must be completed on a separate sheet, completing all fields relevant to a natural person or legal entity:

- donor/founder's details (natural/legal);
- vested beneficiaries' details (natural/legal);
- trustees' details (natural/legal); and
- natural persons authorised to establish the relationship

Should any of the above be legal entities or trusts, the process should continue until a natural person is detailed.

6. Preferred method of communication _____

(specify telephone, cell phone, fax, e-mail)

7. Republic of South Africa Income Tax number issued (Yes or No)? _____

Income Tax number _____

Tax type (normal/Public Benefit Organisation/special) _____

Fiscal year end _____

VAT registration number issued (Yes or No)? _____

VAT registration number _____

Attach proof of registration with South African Revenue Services

8. Valuation method for Capital Gains Tax (weighted average/FIFO) _____

9. Exchange Control status (resident/non-resident) _____

If non-resident or emigrant blocked Rand, please complete the relevant portion of section 14 overleaf.

Are funds blocked (Yes or No)? _____

If Yes, under what section _____

Attach documentation from authorised dealer

10. Source of funds _____

For inheritance:

- *certified copy of last will and testament to be attached;*
- *certified copy of liquidation and distribution account to be attached;*
- *other – please supply supporting documentation.*

11. Is account pledged (Yes/No)? _____

If account pledged, copy of deed of cession and irrevocable letter of undertaking required

12. Attach copy of trust instrument and any amendments

13. Attach latest copy of letters of authority

14. Exchange control information

14.1 Full name and address of overseas bankers (if any) _____

Account number _____

14.1.1 Trust's blocked asset account number

Account number _____

Bank _____

Branch _____

Code _____

Swift code _____

14.1.2 Transferable income account number

Account number _____

Bank _____

Branch _____

Code _____

14.2 Are you a non-resident (Yes or No)? _____

14.2.1 Transferable income account details

Account number _____

Bank _____

Branch _____

Code _____

If client is represented by an agent, attach certified documentary evidence of capacity to act (power of attorney/mandate/resolution) and complete a confidential client details form for a natural person or legal entity. If agent is a legal entity, the process must continue until a natural person is detailed.

Agent's signature _____

Date _____

All attached documentation that is not original must be certified as a true copy

KYC form – Legal entity

CONFIDENTIAL CLIENT DETAILS FOR **A LEGAL ENTITY** IN TERMS OF THE KNOW YOUR CLIENT REQUIREMENTS AS PRESCRIBED BY THE FINANCIAL INTELLIGENCE CENTRE ACT

THIS KYC FORM MUST BE ACCOMPANIED BY THE DOCUMENTS REQUESTED HEREIN

Please contact Rob Williams on +27 11 280 8784 at First National Trust and Management Company (Pty) Limited should you have any queries with regard to the completion of this form.

Registered name of legal entity _____

1. Trading name _____

2. Postal address _____

_____ Postal code _____

3. Registered address _____

_____ Postal code _____

4. Operating address _____

_____ Postal code _____

5. **Attach proof of registered address (CM22 or CK1)**

Attach resolution confirming:

- that the New Aplitec Participation Trust may hold the units on behalf of the legal entity;
- details of the person/s who will sign all documentation on behalf of the legal entity;
- details of the person/s from whom the trustees of the New Aplitec Participation Trust are authorised to take instructions.

Contact person _____

Telephone () _____ Fax () _____

Cell _____ e-mail _____

Preferred method of communication _____

(specify telephone, cell phone, fax, e-mail)

(a) Contact person _____

(b) Resolution (refer to section 14(h) overleaf) _____

6. Registration number _____

7. Type of entity (CC, private company, public company, sole proprietor, other) _____

8. Republic of South Africa Income Tax number issued (Yes or No)? _____

Income Tax number _____

Tax type (normal/Public Benefit Organisation/Special) _____

Financial year end _____

VAT registration number issued (Yes or No)? _____

VAT registration number _____

Attach proof of registration with South African Revenue Services

9. Valuation method for Capital Gains Tax (weighted average/FIFO) _____

10. Exchange control status (resident/non-resident) _____

If non-resident, please complete the relevant portion of section 16 overleaf and answer the following questions:

(a) Current authorised dealer _____

(b) Country of establishment _____

(c) Country of operation _____

(d) Country of registered office _____

11. Source of funds _____

For inheritance:

- certified copy of last will and testament to be attached;
- certified copy of liquidation and distribution account to be attached;
- other – please supply supporting documentation.

12. Is account pledged (Yes/No)? _____

If account pledged, copy of deed of cession and irrevocable letter of undertaking required

13. The following must be completed on a separate sheet, completing all fields relevant to a natural person or legal person:

- (a) directors' details (companies) (natural persons);
- (b) members' details (CC's) (natural persons);
- (c) 25% and above shareholders' details (natural/legal);
- (d) manager's details (natural persons); and
- (e) all persons who are authorised to transact with or on behalf of the company.

Should any of the above be legal persons, the process should continue until a natural person is detailed.

14. If client is a South African private company, the following information is required:

- (a) latest schedule of directors (CM29);
- (b) list of shareholders and their holdings;
- (c) copy of certificate of incorporation;
- (d) latest certificate of change of name (CM9);
- (e) copy of memorandum and articles of association;
- (f) most recent notice of registered office and postal address (CM22);
- (g) most recent certificate of auditors (CM31); and
- (h) resolution from company confirming:
 - that the trustees of the New Aplitec Participation Trust may hold the units on behalf of the company;
 - details of the person/s who will sign all documentation on behalf of the company;
 - details of the person/s from whom the trustees can take instructions.

15. If client is a close corporation, the following information is required:

- (a) most recent founding statement; and
- (b) latest financial statements.

16. Exchange control information

16.1 Full name and address of overseas bankers (if any) _____

Account number _____

16.2 Transferable income account number

Account number _____

Bank _____

Branch _____

Code _____

Swift code _____

If client is represented by an agent, attach certified documentary evidence of capacity to act (power of attorney/mandate/resolution) and complete a confidential client details form for a natural person.

Agent's signature _____

Date _____

All attached documentation that is not original must be certified as a true copy

