

VUKILE PROPERTY FUND LIMITED

(Incorporated in the Republic of South Africa)

(Registration number 2002/027194/06)

JSE share code: VKE NSX share code: VKN

ISIN: ZAE000180865

Debt company code: VKEI

(Granted REIT status with the JSE)

(“Vukile” or “the company”)



UPDATE TO THE ACQUISITION OF INTEREST IN A COMPANY OWNING 4 SHOPPING CENTRES IN SPAIN

Shareholders are referred to the previous announcement released on SENS dated 18 July 2018 (“**previous announcement**”) relating to the proposed acquisition by Vukile of a shareholding in Morzal Properties Iberia S.L. (“**Morzal**”) which had secured the opportunity to acquire 4 shopping centres in Spain (the “**Morzal acquisition**”). Vukile’s investment in Morzal was contingent on the conclusion of various co-investment and underwrite arrangements (collectively referred to in the previous announcement as the “**proposed transaction**”).

Post implementation of the Morzal acquisition on 31 July 2018 and following a successful capital raise by Vukile, Vukile has concluded the formal agreements required to give effect to its participation in the proposed transaction. Accordingly Vukile is pleased to announce that it has acquired by way of subscription a 51% shareholding in Morzal and the proposed transaction has been implemented on the terms more fully detailed in the previous announcement.

The transaction is classified as a category 2 transaction in terms of the JSE Listings Requirements. All disclosures required in terms sections 9.15 and 13.11 of the JSE Listings Requirements are set out in the previous announcement.

As indicated in the previous announcement, Vukile has presented Castellana Properties Socimi S.A (“**Castellana**”) with the opportunity for Castellana to acquire 100% of the equity in Morzal from existing Morzal shareholders (including Vukile’s 51% shareholding in Morzal) at a price of EUR6.00 per Morzal share, which represents Morzal’s acquisition cost, by way of a shares for shares transaction (“**Castellana share swap**”). The board of Castellana met on 1 August 2018 and has agreed, subject to conclusion of agreements under Spanish Law, the requirements of the Mercado Alternativo Bursátil operated by the Spanish Stock Exchange and Castellana shareholder approval, to proceed with the Castellana share swap.

The implementation of the Castellana share swap will have the effect of Vukile disposing of its 51% equity interest in Morzal to Castellana and Castellana, a subsidiary of Vukile, acquiring 100% of the equity interest in Morzal. Further details in this regard will be announced in due course.

1 August 2018

Corporate advisor and JSE sponsor



NSX sponsor

