



**ARROWHEAD PROPERTIES LIMITED**  
(Incorporated in the Republic of South Africa)  
(Registration number 2011/000308/06)  
JSE share code: AWA ISIN: ZAE000203105  
(Approved as a REIT by the JSE)  
("Arrowhead")

**GEMGROW PROPERTIES LIMITED**  
(Incorporated in the Republic of South Africa)  
(Registration number 2007/032604/06)  
JSE share code: GPA ISIN: ZAE0000223269  
JSE share code: GPB ISIN: ZAE0000223277  
(Approved as a REIT by the JSE)  
("Gemgrow")

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**POSTING OF SCHEME CIRCULAR, CATEGORY 1 CIRCULAR, PROSPECTUS AND NOTICES OF THE SCHEME MEETING, THE GEMGROW COMBINED GENERAL MEETING AND THE GEMGROW SEPARATE GENERAL MEETINGS OF THE GEMGROW A SHAREHOLDERS AND GEMGROW B SHAREHOLDERS**

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**1. Background**

Shareholders of Arrowhead and Gemgrow are referred to the joint firm intention announcement released on SENS on Monday, 8 July 2019 and published in the press on Tuesday, 9 July 2019 regarding the firm intention by Gemgrow to make an offer to acquire all of the Arrowhead ordinary shares, but excluding the Arrowhead shares held in treasury, ("**scheme shares**"), from Arrowhead shareholders ("**scheme participants**") by way of a scheme of arrangement ("**scheme**") in terms of section 114 of the Companies Act, No. 71 of 2008, as amended ("**Companies Act**"), to be proposed by the board of Arrowhead to the scheme participants ("**transaction**").

**2. Posting of the scheme circular and notice of scheme meeting**

Shareholders of Arrowhead are advised that Arrowhead has, on Monday, 22 July 2019 posted a circular to Arrowhead shareholders ("**scheme circular**") relating to:

- the scheme, in terms of which, if implemented, Gemgrow will acquire all the scheme shares held by Arrowhead shareholders for the scheme consideration, being 0.8237 Gemgrow B ordinary shares for every Arrowhead share acquired; and
- the delisting of all Arrowhead shares from the JSE in the event that the scheme is successfully implemented.

The scheme circular is accompanied by a prospectus in respect of Gemgrow as it will be constituted after the implementation of the scheme.

The scheme circular contains a notice convening a scheme meeting of Arrowhead shareholders to be held at 10:30 on Thursday, 22 August 2019 at 3rd Floor, Upper Building, 1 Sturdee Avenue, Rosebank to consider and, if deemed fit, pass the resolutions required to implement the scheme ("**scheme meeting**").

The scheme circular and prospectus are also available for inspection in electronic format on Arrowhead's website at [www.arrowheadproperties.co.za](http://www.arrowheadproperties.co.za).

A copy of the scheme circular and prospectus will be available for inspection at Arrowhead's offices at 3rd Floor, Upper Building, 1 Sturdee Avenue, Rosebank at any time during normal business hours until Thursday, 22 August 2019.

**3. Posting of the category 1 circular, prospectus and notices of the Gemgrow combined general meeting and separate general meetings of the Gemgrow A shareholders and the Gemgrow B shareholders**

Shareholders of Arrowhead and Gemgrow are advised that Gemgrow has, on Monday, 22 July 2019, posted a circular to Gemgrow shareholders ("**category 1 circular**") relating to:

- the offer by Gemgrow to acquire the entire issued share capital of Arrowhead, by way of a scheme of arrangement in terms of section 114 of the Companies Act of 2008, for the scheme consideration, being 0.8237 Gemgrow B ordinary shares for every Arrowhead share acquired;
- authorisation for the Gemgrow board to allot, issue and procure the listing of 862,972,109 authorised but unissued Gemgrow B shares required to settle the consideration for the acquisition of the scheme shares;
- the change of Gemgrow's name to "Arrowhead Properties Limited"; and
- changes to Gemgrow's board of directors.

The category 1 circular contains:

- a notice convening a general meeting of Gemgrow shareholders to be held at 11:00 on Thursday, 22 August 2019 at 3rd Floor, Upper Building, 1 Sturdee Avenue, Rosebank, to consider and, if deemed fit, pass the resolutions required to implement the transaction ("**combined general meeting**"); and
- is accompanied by a prospectus in respect of Gemgrow as it will be constituted after the implementation of the transaction.

Furthermore the category 1 circular contains an amendment of Gemgrow's MOI to convert the treasury shares arising pursuant to the transaction to redeemable shares ("**redeemable share resolutions**"); and accordingly the category 1 circular contains notices convening:

- a separate general meeting of Gemgrow A shareholders to be held at 11:30 on Thursday, 22 August 2019, at 3rd Floor Upper Building, 1 Sturdee Avenue, Rosebank, for the purpose of considering and, if deemed fit, passing with or without modification, the redeemable share resolutions; and
- a separate general meeting of Gemgrow B shareholders to be held at 12:00 on Thursday, 22 August 2019, at 3rd Floor Upper Building, 1 Sturdee Avenue, Rosebank for the purpose of considering and, if deemed fit, passing with or without modification, the redeemable share resolutions,

(collectively referred to as "**the separate general meetings**").

The redeemable share conversion and subsequent redemption will have no impact on the Gemgrow A or Gemgrow B shareholders, save for Arrowhead which holds the Gemgrow B shares which will become treasury shares pursuant to the transaction.

The category 1 circular and prospectus are also available for inspection in electronic format on Gemgrow's website at [www.gemgrow.co.za](http://www.gemgrow.co.za).

A copy of the category 1 circular and prospectus will be available for inspection at Gemgrow's offices at 3rd Floor, Upper Building, 1 Sturdee Avenue, Rosebank at any time during normal business hours until Thursday, 22 August 2019.

#### 4. Salient dates and times

The salient dates and times relating to the transaction and the scheme are set out below:

<b>Salient dates and times</b>	<b>2019</b>
Record date to determine which Arrowhead and Gemgrow shareholders are eligible to receive the scheme circular, category 1 circular and prospectus (“ <b>circulares</b> ”)	Friday, 12 July
Circulars posted to Arrowhead and Gemgrow shareholders and notice convening the scheme meeting, combined general meeting and separate general meetings	Monday, 22 July
Notice convening the scheme meeting, combined general meeting and separate general meetings published in the South African press	Tuesday, 23 July
Last day to trade in order to be eligible to vote at the scheme meeting, combined general meeting and separate general meetings	Tuesday, 13 August
Record date to be eligible to vote at the scheme meeting, combined general meeting and separate general meetings	Friday, 16 August
Last day for Arrowhead shareholders to lodge forms of proxy in respect of the scheme meeting by 10:30 on	Tuesday, 20 August
Last day for Gemgrow A and B shareholders to lodge forms of proxy in respect of the combined general meeting by 11:00 on	Tuesday, 20 August
Last day for Gemgrow A shareholders to lodge forms of proxy in respect of the separate general meeting of Gemgrow A shareholders by 11:30 on	Tuesday, 20 August
Last day for Gemgrow B shareholders to lodge forms of proxy in respect of the separate general meeting of Gemgrow B shareholders by 12:00 on	Tuesday, 20 August
Last date for Arrowhead shareholders to give written notice of their objections to the special resolution approving the scheme in terms of section 164(3) of the Companies Act by no later than 10:30 on	Thursday, 22 August
<b>Scheme meeting to be held at 10:30 on</b>	Thursday, 22 August
<b>Combined general meeting to be held at 11:00 on</b>	Thursday, 22 August
<b>Separate general meeting of Gemgrow A shareholders to be held at 11:30 on</b>	Thursday, 22 August
<b>Separate general meeting of Gemgrow B shareholders to be held at 12:00 on</b>	Thursday, 22 August
Results of the scheme meeting, combined general meeting and separate general meetings released on SENS	Thursday, 22 August
Results of scheme meeting, combined general meeting and separate	Friday, 23 August

general meetings published in the South African press

***If the scheme is approved by Arrowhead shareholders at the scheme meeting:***

Last day for Arrowhead shareholders who voted against the scheme to require Arrowhead to seek court approval for the scheme in terms of section 115(3)(a) of the Companies Act, if at least 15% of the total votes of Arrowhead shareholders at the scheme meeting were exercised against the scheme

Thursday, 29 August

Last date on which Arrowhead shareholders can make application to the Court in terms of section 115(3)(b) of the Companies Act

Thursday, 5 September

Last date for Arrowhead to give notice of adoption of the special resolution approving the scheme to dissenting Arrowhead shareholders in accordance with section 164 of the Companies Act

Thursday, 5 September

***The following dates assume that no Court approval or review of the scheme is required and will be confirmed in the finalisation announcement if the scheme becomes unconditional***

Finalisation date expected to be on

Thursday, 29 August

Finalisation date announcement expected to be released on SENS on

Thursday, 29 August

Finalisation date announcement expected to be published in the South African Press on

Friday, 30 August

Expected scheme last day to trade, being the last day to trade Arrowhead shares on the JSE in order to be recorded in the register to receive the scheme consideration (**scheme last day to trade**)

Tuesday, 10 September

Suspension of listing of Arrowhead shares on the JSE expected to take place at the commencement of trade on

Wednesday, 11 September

Listing of Gemgrow B shares on the JSE expected from the commencement of trade on

Wednesday, 11 September

Announcement released on SENS in respect of the cash payment applicable to fractional entitlements to the scheme consideration, based on the VWAP of a Gemgrow B share traded on the JSE on Wednesday, 11 September 2019, discounted by 10%, on

Thursday, 12 September

Expected scheme consideration record date, being the date on which scheme participants must be recorded in the register to receive the scheme consideration, by close of trade on

Friday, 13 September

Expected operative date of the scheme on

Monday, 16 September

Dematerialised scheme participants expected to have their accounts (held at their CSDP or broker) credited with the scheme consideration on or about

Monday, 16 September

Termination of the listing of Arrowhead shares on the JSE expected to take place at the commencement of trade on or about	Tuesday, 17 September
Expected last day to trade prior to the change of name being effected	Monday, 23 September
Expected termination of trading in the name "Gemgrow Properties Limited" on the JSE, termination of the "A" shares trading under the share code "GPA", short name "GemPropA" and ISIN ZAE0000223269 and termination of the "B" shares trading under the share code "GPB", short name "GemPropB" and ISIN ZAE0000223277, from the commencement of trade	Wednesday, 25 September
Expected trading under the new name of "Arrowhead Properties Limited" on the JSE, with "A" shares trading under the share code "AHA", short name "AWAPropA" and ISIN ZAE000275491 and "B" shares trading under the share code "AHB" short name "AWAPropB" and ISIN ZAE000275509 from the commencement of trade	Wednesday, 25 September

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## 5. FTSE sector classification

FTSE has reviewed and advised that the new sector classification for Gemgrow, following the successful implementation of the transaction, will be NICB: 35102000 Diversified REITs, ICB: 8674 Diversified REITs, RGS:1060916 Equity REIT: Diversified.

22 July 2019

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### **Corporate advisor and sponsor to Arrowhead**

Investec Bank Limited

### **Independent corporate advisor and transaction sponsor to Gemgrow**

Nedbank Corporate and Investment Banking, a division of Nedbank Limited

### **Corporate advisor to Gemgrow**

Investec Bank Limited

### **Strategic transaction advisor to Arrowhead**

Ferryman Capital Partners

### **Legal advisor and competition law advisor**

Cliffe Dekker Hofmeyr Incorporated