

ARROWHEAD PROPERTIES LIMITED

Incorporated in the Republic of South Africa)

(Registration number 2007/032604/06)

JSE share code: AHA ISIN: ZAE000275491

JSE share code: AHB ISIN: ZAE000275509

(Granted REIT status with the JSE)

("Arrowhead" or the "Company")



UPDATE ON ENGAGEMENTS IN RELATION TO A POSSIBLE MERGER BETWEEN ARROWHEAD AND FAIRVEST AND RENEWAL OF CAUTIONARY

Arrowhead shareholders are referred to the previous cautionary announcements in relation to the Company's engagements with Fairvest Property Holdings Limited ("**Fairvest**"), the most recent of which was published on 28 July 2021.

The Company continues to positively engage with Fairvest in relation to a potential merger and therefore it remains the Arrowhead independent board's ("**Independent Board**") view that agreement may be reached between the parties on the way forward.

Arrowhead shareholders' attention is drawn to the announcement released by Fairvest on 7 September 2021, regarding the results of the general meeting of Fairvest shareholders ("**General Meeting**"), in terms of which Fairvest shareholders have, *inter alia*, approved the acquisition by Fairvest of a controlling shareholding in Arrowhead by way of an acquisition of certain Arrowhead B ordinary shares ("**AHB Shares**") from certain holders of AHB Shares, and that the acquisition of such AHB Shares would, if the acquisitions are implemented, result in Fairvest acquiring control of the majority of the Arrowhead shares in issue ("**Fairvest Acquisition**").

In line with what has been communicated in the circular issued to Fairvest shareholders on 10 August 2021, Fairvest continues to engage with Arrowhead regarding the possibility of proposing a single-step merger subject to a shareholder approval process for both companies. If Arrowhead and Fairvest agree on the terms of a single-step merger, they will work together on the appropriate process to obtain the required approvals. However, a single-step merger may succeed or fail after the General Meeting, and accordingly, Fairvest has proceeded to seek Fairvest shareholder approval for the Fairvest Acquisition, but will only implement this transaction, once unconditional, if a single-step merger is not achieved by the long stop date (or by an agreed extension to the long stop date) for any reason.

The Independent Board collectively and individually accepts responsibility for the information contained in this announcement and certifies that, to the best of its knowledge and belief, the information contained in this announcement relating to Arrowhead is true and this announcement does not omit anything that is likely to affect the import of such information.

Arrowhead shareholders are therefore advised to continue to exercise caution when trading in their Arrowhead shares until a further announcement is made.

9 September 2021

Lead Corporate Advisor:
Ferryman Capital Partners

Corporate Advisor and Transaction Sponsor:
Nedbank Corporate and Investment Banking, a division of Nedbank Limited

Legal Advisor:
Cliffe Dekker Hofmeyr