

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  
(Approved as a REIT by the JSE)  
(Arrowhead)

FINANCIAL AND PROPERTY SPECIFIC INFORMATION IN RESPECT OF THE PROPOSED CATEGORY 1  
ACQUISITION BY ARROWHEAD OF FAIRVEST BY WAY OF A SCHEME OF ARRANGEMENT

1. Introduction

Shareholders are referred to the joint SENS announcement (Firm Intention and Category 1 Announcement) released by Arrowhead and Fairvest Property Holdings Limited (Fairvest) today in respect of, inter alia, a proposed merger to be implemented by way of a scheme of arrangement in terms of section 114 of the Companies Act, No. 71 of 2008, and to which Arrowhead will be a party (Transaction).

In terms of the Transaction, Arrowhead has offered to acquire 100% of the Fairvest ordinary shares (Fairvest Shares) in issue, excluding the Fairvest Shares held in treasury, from Fairvest shareholders, which Transaction will constitute a category 1 acquisition for Arrowhead in terms of the JSE Listings Requirements. In compliance with paragraphs 9.15(d) and (e) and paragraphs 13.11(a) and 13.19 of the JSE Listing Requirements, the information contained in paragraphs 2 and 3 below is disclosed in addition to the information disclosed in the Firm Intention and Category 1 Announcement.

2. Financial Information of Fairvest

The value of the net assets and the profit attributable to the net assets of Fairvest are R2 441 524 000 and R332 553 000 respectively (Financial Information).

The Financial Information in this announcement has been extracted from Fairvest's audited results for the year ended 30 June 2021 (Fairvest Results), which was prepared in terms of International Financial Reporting Standards, and which is the responsibility of the directors of Fairvest. BDO South Africa Incorporated issued their audit report on the Fairvest Results on 10 September 2021, however the Financial Information in this announcement has not been reported on or reviewed by a reporting accountant.

3. Property specific information of Fairvest

The table below sets out the details of the properties within the Fairvest property portfolio as at 30 June 2021, and as included in the Fairvest Results.

Property Name	Location	Sector	Rentable area (m2)	Weighted average rental per m2 (R)	Valuation 30 June 2021 (R'000)	Date of acquisition	Cost of acquisition (R'000)
Kwazulu-Natal							
Shoprite Empangeni	Empangeni	Retail	13 660	152.47	223 800	18-Jul-17	172 500
Westville Junction	Westville	Retail/Office	6 330	173.69	98 400	19-Jan-01	16 500
Richmond Shopping Centre	Durban	Retail	8 798	93.23	99 200	21-May-15	61 538
CHEP Building	Westville	Office	3 337	#	76 600	1-Dec-12	51 076
Qualbert Centre	Durban	Retail	4 684	163.32	79 000	30-Jan-14	68 778
425 West Street	Durban	Retail/Office	5 162	122.37	59 900	18-Jan-13	54 500
Coronation Walk	Queensburgh	Retail/Office	3 047	167.08	49 300	19-Nov-01	9 000
210 Church Street	Pietermartitzburg	Retail	1 897	#	30 000	18-Dec-12	19 556
212 Church Street	Pietermartitzburg	Retail	1 980	#	36 800	14-Dec-12	30 000
Mkuze Corner	Mkuze	Retail	3 388	87.16	32 200	13-Dec-12	15 000
			52 283		785 200		
Western Cape							
Nonkqubela Mall	Khayelitsha	Retail	10 765	174.12	171 000	23-Aug-19	162 900
Nyanga Junction	Nyanga	Retail	10 683	170.49	170 900	16-May-13	58 000

Paddagat	George	Retail	11 007	101.59	115 800	13-Dec-12	44 000
Macassar Shopping Centre	Macassar	Retail	5 516	146.57	85 900	12-Sep-16	41 500
Omniplace	Bellville	Office	2 627	112.00	30 200	13-Dec-12	20 000
Nyanga Shopping Centre	Nyanga	Retail	1 242	#	4 900	24-May-13	8 427
			41 840		578 700		
Free State							
Middestad Centre	Bloemfontein	Retail	18 609	150.44	287 600	26-Aug-15	190 987
Megapark	Bloemfontein	Retail	6 744	118.29	83 900	26-Aug-15	52 015
Zamdela Shopping Centre	Zamdela	Retail	2 247	112.70	29 500	20-Feb-13	13 867
Bradlows Building	Bloemfontein	Retail	2 563	44.52	11 600	19-Nov-01	4 100
			30 163		412 600		
Gauteng							
Bara Precinct	Soweto	Retail	24 486	146.16	368 100	18-Dec-17	322 435
Southview Shopping	Soshanguve	Retail	7 644	124.42	106 300	18-Jun-18	92 914
Clubview Corner	Centurion	Retail	6 074	126.02	81 300	17-Jan-13	27 000
Sebokeng Plaza*	Sebokeng	Retail	5 693	112.67	72 000	26-Apr-13	35 298
The Ridge Shopping Centre	Roodepoort	Retail	4 663	151.25	69 000	12-Mar-13	30 000
Jan Niemand Spar	Pretoria	Retail	2 139	#	23 800	19-Feb-15	20 000
Orange Farm	Orange Farm	Retail	2 685	88.39	28 200	15-Jan-13	15 781
Pick `n Pay Vereeniging	Vereeniging	Retail	3 538	91.98	28 700	10-Apr-13	12 934
The Palms	Midrand	Office	2 597	67.45	13 900	2-Mar-07	10 558
Score Stretford	Stretford	Retail	1 508	#	14 000	19-Feb-13	9 509
Score Sharpeville	Sharpeville	Retail	1 139	#	14 700	19-Feb-13	6 914
			62 166		820 000		
Limpopo							
Mala Plaza	Malamulele	Retail	6 076	147.01	101 000	27-Jan-14	64 766
Masingita Shopping Centre	Giyani	Retail	5 363	143.55	71 700	27-Jan-14	48 466
			11 439		172 700		
Northern Cape							
Sibilo Shopping Centre	Postmasburg	Retail	8 476	148.08	129 400	24-Aug-15	96 323
Kim Park	Kimberley	Retail	9 301	122.60	117 400	8-Jan-14	53 014
			17 777		246 800		
Eastern Cape							
Boxer Elliotdale	Elliotdale	Retail	7 360	117.30	81 100	9-May-16	59 830
Bokleni Plaza	Libode	Retail	4 990	120.03	67 700	3-Oct-18	49 000
Qumbu Plaza	Qumbu	Retail	5 395	107.50	67 300	1-Dec-19	51 911
Boxer Mqanduli	Mqanduli	Retail	4 689	111.70	48 500	15-Jul-16	37 600
Boxer Tabankulu	Tabankulu	Retail	4 117	109.45	42 400	7-Jul-16	32 000
			26 551		307 000		
Mpumalanga							
Cosmos Centre	Bethal	Retail	4 692	136.85	80 800	5-Mar-15	58 000
Investment property held for sale							
Parow Valley Spar	Parow	Retail	3 985	101.77	36 200	10-May-16	20 255
* - 50% undivided share			250 896	134.35	3 440 000		
Vacant unlettable property							
Fattis Mansions	Johannesburg	Retail	1 921	-	-	19-Nov-01	6 520

Notes:

1. The Fairvest property portfolio consists of 43 properties, with 250 896 m2 of lettable area and valued at R3.44 billion. At 30 June 2021, 9 228 m2 or 3.7% of the gross lettable area was vacant. Average annualised property yield was 9.8%.
2. The individual property valuations as at 30 June 2021 were obtained from Fairvest management.
3. # Means single tenanted properties. The weighted average rent per m2 for all single tenanted properties is R155.61 at 30 June 2021.
4. 35.8% (2020: 39.8%) of the value of the above Fairvest investment property portfolio was valued by DDP Valuers, De Leeuw Valuers and Broll Valuation and Advisory Services (who are independent from Fairvest and are registered as professional valuers in terms of the Property Valuers Profession Act, No. 47 of 2000) at 30 June 2021, and all have experience in the

valuation of similar investment properties. The remainder of the income-producing investment properties were valued by Fairvest management. The valuations were based on open market values for existing use for each individual investment property. For the current and prior year, the valuation of the properties was performed using the discounted cash flow method.

5. 100% of the Fairvest property portfolio will be valued for purposes of the circular and accompanying revised listing particulars to be issued to Arrowhead shareholders in relation to the Transaction.

4. Responsibility statement

The board of directors of Arrowhead (Arrowhead Board) accepts responsibility for the information contained in this announcement insofar as it relates to Arrowhead. To the best of the Arrowhead Board's knowledge and belief, the information contained in this announcement is true and the announcement does not omit anything likely to affect the importance of the information.

27 September 2021

Strategic transaction advisor  
Ferryman Capital Partners

Joint corporate advisor and transaction sponsor  
Nedbank Corporate and Investment Banking, a division of Nedbank Limited

Legal advisor  
Cliffe Dekker Hofmeyr Incorporated