

**FAIRVEST PROPERTY HOLDINGS LIMITED**  
(Incorporated in the Republic of South Africa)  
(Registration number 1998/005011/06)  
JSE share code: FVT ISIN: ZAE 000203808  
(Approved as a REIT by the JSE)  
**(Fairvest)**

**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)**

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## JOINT FINALISATION ANNOUNCEMENT

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Fairvest and Arrowhead shareholders are referred to the circular to Fairvest shareholders published on 19 November 2021 (**Scheme Circular**), the circular and accompanying revised listing particulars to Arrowhead shareholders published on 10 December 2021 (collectively, the **Circulars**) and all previous announcements relating to the proposed merger between Fairvest and Arrowhead (the **Transaction**) by way of a scheme of arrangement (the **Scheme**) in terms of section 114 of the Companies Act, No. 71 of 2008 (the **Companies Act**), proposed by Fairvest to its shareholders, and to which Arrowhead is a party.

## FINALISATION OF MERGER COMPONENTS

Fairvest and Arrowhead are pleased to announce that all outstanding conditions precedent to the Transaction have been fulfilled and the Transaction is now wholly unconditional. As a result, the Takeover Regulation Panel has issued a compliance certificate in terms of section 119(4) of the Companies Act.

As such, the Scheme and the delisting of Fairvest from the JSE and the A2X, the Fairvest Clean-out Distribution (as defined in the Scheme Circular) and the change of Arrowhead's name to "Fairvest Limited" will be implemented in accordance with the salient dates and times last announced by Arrowhead on SENS on 14 January 2022 and by Fairvest on SENS and ANS on 21 December 2021.

## FAIRVEST CLEAN-OUT DISTRIBUTION AND TAX IMPLICATIONS

The board of directors of Fairvest has approved and declared a Clean-out Distribution from income of 5.66000 cents per Fairvest share for the period commencing on 1 July 2021 and ending on 30 September 2021 as described in the Scheme Circular, payable to Fairvest shareholders registered as such at the close of business on Friday, 28 January 2022.

In accordance with Fairvest's status as a REIT, Fairvest shareholders are advised that the Clean-out Distribution meets the requirements of a "qualifying distribution" for the purposes of section 25BB of the Income Tax Act, No. 58 of 1962 (**Income Tax Act**).

Qualifying distributions received by Fairvest shareholders who are South African tax residents must be included in the gross income of such shareholders (as a non-exempt dividend in terms of section 10(1)(k)(aa) of the Income Tax Act), with the effect that the qualifying distribution is taxable as income in the hands of the shareholder. These qualifying distributions are, however, exempt from dividend withholding tax in the hands of South African tax resident shareholders, provided that the South African resident shareholders have provided the following forms to their CSDP or broker, as the case may be, in respect of uncertificated Fairvest shares, or

Fairvest's transfer secretaries, Computershare Investor Services Proprietary Limited (**Transfer Secretaries**), in respect of certificated Fairvest shares:

- a) a declaration that the distribution is exempt from dividends tax; and
- b) a written undertaking to inform the CSDP, broker or the Transfer Secretaries, as the case may be, should the distribution cease to be exempt from dividend withholding tax,

both in the form prescribed by the Commissioner for the South African Revenue Service (**SARS**) and Fairvest shareholders are advised to contact their CSDP or broker or the Transfer Secretaries, as the case may be, to arrange for the abovementioned documents to be submitted prior to payment of the distribution, if such documents have not already been submitted.

Qualifying distributions received by non-resident Fairvest shareholders will not be taxable as income and instead will be treated as ordinary dividends, but which are exempt in terms of the usual dividend exemptions per section 10(1)(k) of the Income Tax Act. Any qualifying distribution received by a non-resident from a REIT will be subject to dividend withholding tax at 20%, unless the rate is reduced in terms of any applicable agreement for the avoidance of double taxation (**DTA**) between South Africa and the country of residence of the shareholder. Assuming dividend withholding tax will be withheld at a rate of 20%, the net amount due to non-resident Fairvest shareholders will be 4.52800 cents per Fairvest share. A reduced dividend withholding tax rate in terms of the applicable DTA, may only be relied on if the non-resident Fairvest shareholder has provided the following forms to their CSDP or broker, as the case may be, in respect of the uncertificated Fairvest shares, or the Transfer Secretaries, in respect of certificated Fairvest shares:

- a) a declaration that the dividend is subject to a reduced rate as a result of the application of a DTA; and
- b) a written undertaking to inform their CSDP or broker or the Transfer Secretaries, as the case may be, should the circumstances affecting the reduced rate change or the beneficial owner cease to be the beneficial owner,

both in the form prescribed by SARS. Non-resident Fairvest shareholders are advised to contact their CSDP or broker or the Transfer Secretaries, as the case may be, to arrange for the abovementioned documents to be submitted prior to payment of the distribution if such documents have not already been submitted, if applicable.

Local tax resident Fairvest shareholders as well as non-resident Fairvest shareholders are encouraged to consult their professional advisors should they be in any doubt as to the appropriate action to take.

Fairvest shares in issue at the date of this finalisation announcement: 1 046 421 089

Fairvest income tax reference number: 9205/066/06/1

## **RESPONSIBILITY STATEMENTS**

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

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.

18 January 2022

**Legal advisor to Fairvest**

Werksmans

**Sponsor to Fairvest**

PSG Capital

**Lead corporate advisor to Arrowhead**

Ferryman Capital Partners

**Joint corporate advisor and transaction sponsor to Arrowhead**

Nedbank Corporate and Investment Banking, a division of Nedbank Limited

**Attorneys and competition law advisors to Arrowhead**

Cliffe Dekker Hofmeyr Incorporated