

## HERIOT REIT LIMITED

(Incorporated in the Republic of South Africa)

(Registration number: 2017/167697/06)

(Approved as a REIT by the JSE)

JSE share code: HET ISIN: ZAE000246740

("Heriot" or "the Company")



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## ACQUISITION OF SHARES IN SAFARI INVESTMENTS RSA LIMITED FROM A RELATED PARTY

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Shareholders are referred to previous announcements published by Heriot relating to the acquisition by the Company, acting through its wholly owned subsidiary Heriot Properties Proprietary Limited ("**Heriot Properties**"), of shares in Safari Investments RSA Limited ("**Safari**"). As at the date of this announcement, Heriot Properties and its concert parties, being Reya Gola Investments Proprietary Limited and Heriot Investments Proprietary Limited ("**Heriot Investments**"), collectively hold 146 569 651 Safari shares, representing 47.2% of the total Safari shares in issue.

Shareholders are advised that Heriot Properties will acquire an additional 18 202 247 Safari shares from Heriot Investments for a purchase price of R5.60 per share and an aggregate purchase consideration of R101 932 583.20 (the "**HI Acquisition**"). The HI Acquisition will be settled as follows:

- 9 596 515 Safari shares (with an aggregate value of R53 740 484.00) will be acquired by way of an off-market block trade in full and final settlement of a loan owed by The Gusi Trust, being the sole shareholder of Heriot Investments, to Heriot Properties; and
- the balance of 8 605 732 Safari shares (with an aggregate value of R48 192 099.20) will be acquired by way of an on-market block trade by Heriot Properties for cash.

Subsequent to the HI Acquisition, Heriot Properties and its concert parties will continue to hold 146 569 651 Safari shares, representing 47.2% of the total Safari shares in issue.

Safari is a JSE-listed REIT with a portfolio of retail, office and residential properties, with the majority of its assets being retail properties in and around Pretoria. The HI Acquisition is in line with Heriot's stated strategy to increase its strategic holding in Safari as Heriot considers Safari's property portfolio to be complementary to its own portfolio and believes that an increased shareholding will allow Heriot to expand its real estate investments.

The following profitability metrics are attributable to Safari for the six months ended 30 September 2022:

Distributable earnings per share (cents)	33.00
Basic earnings per share (cents)	37.93
Headline earnings per share (cents)	37.93

Heriot Investments, the majority shareholder of Heriot, is 100% owned by The Gusi Trust, being a trust of which Steven Herring and his family are beneficiaries. In addition, Steven Herring is a director of Heriot, Heriot Investments and Safari. The HI Acquisition therefore constitutes a transaction with related parties, but due to its size in relation to Heriot's market capitalisation, only requires announcing and is not subject to shareholder approval.

The HI Acquisition, when aggregated with other acquisitions of Safari shares over the previous 12 months, constitutes a category 2 acquisition and is therefore not subject to shareholder approval.

31 March 2023

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Designated advisor

JAVACAPITAL