

ATTACQ LIMITED

(Incorporated in the Republic of South Africa)

(Registration number 1997/000543/06)

JSE share code: ATT ISIN: ZAE000177218

(Approved as a REIT by the JSE)

(“Attacq”)



DISPOSAL OF REST OF AFRICA RETAIL INVESTMENTS

1. INTRODUCTION

1.1. Shareholders are hereby advised that on 7 August 2024 Attacq concluded the following agreements with Lango Real Estate Limited (“**Lango**” or the “**Buyer**”) in respect of the disposal of Attacq’s interests in Ikeja City Mall in Nigeria (“**Ikeja**”) and in Accra Mall, Kumasi City Mall and West Hills Mall in Ghana (“**Ghanaian Properties**”):

1.1.1. a share purchase deed between AIHI International Limited (“**AIHI**”) (a wholly owned subsidiary of Attacq) and Hyprop Investments (Mauritius) Limited (“**Hyprop Mauritius**”) (a wholly owned subsidiary of Hyprop Investments Limited) (collectively the “**Sellers**”) relating to the sale of the entire issued share capital of AIHI Ikeja Limited (“**AIHI Ikeja**”) and Hyprop Ikeja Mall Limited (“**Hyprop Ikeja**”) the holders of the entire issued share capital of Gruppo Investment (Nigeria) Limited (“**Gruppo**”) which owns Ikeja (“**Gruppo SPA**”), (“**Gruppo Disposal**”); and

1.1.2. a share purchase deed between the Sellers relating to the sale of the entire share capital of AttAfrica Limited (“**AttAfrica**”) which owns the Ghanaian Properties (“**AttAfrica SPA**”), (“**AttAfrica Disposal**”),

collectively the “**Transaction**”.

1.1.3. AIHI holds 25% of the shares in Gruppo through its wholly owned subsidiary, AIHI Ikeja, and Hyprop Mauritius holds 75% of the shares in Gruppo through its wholly owned subsidiary, Hyprop Ikeja.

1.1.4. AIHI and Hyprop Mauritius each hold 50% of the shares in AttAfrica (with economic interests of 26.88% and 73.12% respectively). AttAfrica in turn is the holder of (i) 50% of the shares in Accra Mall (Mauritius) Limited (“**AMML**”) which owns a 93.94% effective interest in Accra Mall (including the undeveloped land adjacent to Accra Mall; and (ii) 98.22% of the shares in Delico Property Developments Limited which owns a 100% effective interest in Kumasi City Mall and a 60% effective interest in West Hills Mall.

2. RATIONALE

2.1. These disposals are in line with Attacq’s stated strategy of exiting sub-Saharan African markets outside of South Africa and focus on its South African assets.

2.2. On implementation of the two disposals Attacq and AIHI will be released from guarantees provided to the lenders to the AttAfrica Group and Gruppo.

3. TERMS OF THE TRANSACTION

3.1. Gruppo Disposal

- 3.1.1. Subject to the fulfilment (or waiver) of the conditions precedent set out below, the Sellers will dispose of their interests in AIHI Ikeja and Hyprop Ikeja to the Buyer for an aggregate purchase price of US\$32,010,597, net of debt (“**Gruppo Purchase Consideration**”), apportioned as US\$7,901,918 in respect of AIHI Ikeja and US\$24,108,679 in respect of Hyprop Ikeja.
- 3.1.2. The Gruppo Purchase Consideration will be settled by the issue of class A shares in the Buyer to the Sellers in their respective proportions (“**Gruppo Consideration Shares**”) calculated at an issue price of US\$4.19 per Gruppo Consideration Share on the Completion Date (as defined below).
- 3.1.3. 20% of the Gruppo Consideration Shares will be held in escrow until the earliest of: (i) 30 June 2025; and (ii) six months after the Completion Date pending fulfilment by the Sellers of their undertaking to assist with the on-boarding of the property acquired by the Buyer.

3.2. AttAfrica Disposal

- 3.2.1. Subject to the fulfilment (or waiver) of the conditions precedent set out below, the Sellers will dispose of their interests in AttAfrica to the Buyer for an aggregate purchase price of US\$27,306,002, net of debt (“**AttAfrica Purchase Consideration**”), apportioned as US\$7,339,854 in respect of AIHI and US\$19,966,148 in respect of Hyprop Mauritius.
- 3.2.2. The AttAfrica Purchase Consideration will be settled by the issue of class A shares in the Buyer to the Sellers in their respective proportions (“**AttAfrica Consideration Shares**”) calculated at an issue price of US\$4.19 per AttAfrica Consideration Share on the Completion Date (as defined below).
- 3.2.3. 20% of the AttAfrica Consideration Shares will be held in escrow until the earliest of: (i) 30 June 2025; and (ii) six months after the Completion Date pending fulfilment by the Sellers of their undertaking to assist with the on-boarding of the properties acquired by the Buyer.

3.3. In line with the AMML shareholders agreement, an independent expert will determine any potential recoupment of tax allowances triggered by a potential indirect change in ownership of AMML in the future. AttAfrica’s 50% share of such potential tax recoupment will be placed in an escrow account by the Sellers until the statutory window period of such change in ownership has expired.

3.4. The AttAfrica SPA and the Gruppo SPA provide for undertakings, warranties and indemnities which are normal for transactions of this nature.

3.5. Upon full implementation of the Transaction, Attacq will own approximately 4.3% of Lango’s issued share capital. Attacq is not a long-term holder of the Gruppo Consideration Shares and AttAfrica Consideration Shares.

3.6. Conditions precedent

- 3.6.1. The Gruppo Disposal is subject to the fulfilment or waiver of the following conditions precedent by 31 December 2024 (“**Longstop Date**”):
 - 3.6.1.1. obtaining unconditional written consents from the lenders to Gruppo in relation to the Gruppo Disposal;

- 3.6.1.2. execution by the Sellers of the subscription agreement and shareholder's agreement to be concluded between Lango and the Sellers relating to the issue of the Gruppo Consideration Shares;
 - 3.6.1.3. receipt of an approval letter issued by the Federal Competition and Consumer Protection Commission in Nigeria in relation to the indirect change of control constituted by the Gruppo Disposal; and
 - 3.6.1.4. to the extent required, receipt of all necessary regulatory approvals required for the implementation of the Gruppo Disposal.
- 3.6.2. The AttAfrica Disposal is subject to the fulfilment or waiver of the following conditions precedent by the Longstop Date:
- 3.6.2.1. the Sellers having entered into an escrow agreement in respect of the disposal of their respective shareholdings in AMML in accordance with the escrow obligations detailed in 3.3 above, including obtaining the approval of the Financial Surveillance Department of the South Africa Reserve Bank (to the extent required and which the parties will use their best efforts to obtain).
 - 3.6.2.2. obtaining unconditional written consents from the lenders to AttAfrica group in relation to the AttAfrica Disposal;
 - 3.6.2.3. execution by the Sellers of the subscription agreement and shareholder's agreement to be concluded between Lango and the Sellers relating to the issue of the AttAfrica Consideration Shares; and
 - 3.6.2.4. to the extent required, receipt of all necessary regulatory approvals required for the implementation of the AttAfrica Disposal.
- 3.6.3. The AttAfrica Disposal and the Gruppo Disposal are not inter-dependent or inter-conditional.
- 3.6.4. If the conditions precedent of each transaction have not been satisfied or waived by the Longstop Date, the Longstop Date for that transaction shall continue indefinitely until either the Sellers or the Buyer notifies the other in writing that it wishes for the Longstop Date to no longer be indefinite, in which case the date of that notice shall become the Longstop Date for that transaction.
- 3.6.5. The effective date of each Transaction shall be the 5th business day after the last of the conditions precedent have been satisfied (or waived) ("**Completion Date**").

4. CATEGORISATION OF THE TRANSACTION

The Transaction is not categorisable in terms of the JSE Listings Requirements and the disclosures provided in this announcement are voluntary and for information purposes only.

12 August 2024

Sponsor

JAVACAPITAL