
PUTPROP LIMITED
Incorporated in the Republic of South Africa
(Registration number 1998/001085/06)
Share code: PPR ISIN: ZAE000072310
(“Putprop” or “the Company”)

ACQUISITION OF THE KRAMERVILLE LETTING ENTERPRISE

1. INTRODUCTION

- 1.1 Shareholders are advised that on 1 June 2026 (“**Signature Date**”), Putprop (“**Purchaser**”) entered into a letting enterprise sale agreement (“**Kramerville Agreement**”) with Tarloy Properties Proprietary Limited (“**Seller**” or “**Tarloy Properties**”) in terms of which Putprop will acquire the letting enterprise conducted by the Seller as described below (“**Letting Enterprise**”), for a purchase price of R124 500 000, which amount includes VAT at 0% (“**Purchase Price**”) (the “**Acquisition**”).
- 1.2 The Letting Enterprise comprises:
- 1.2.1 the “**Kramerville Property**”, being Erf 63 Kramerville Township, Registration Division IR, Province of Gauteng, in Extent 6675 square metres, held by Title Deed Number T62946/2016, together with all immovable improvements thereon, more commonly known as “17 Kramer” situate at 17 Kramer Road, Kramerville, Johannesburg;
 - 1.2.2 all rights and obligations of the Seller in terms of the leases in respect of the Kramerville Property (or any portion thereof) (“**Leases**”) as at the date of registration of transfer of the Kramerville Property into the name of the Purchaser at the relevant Deeds Registry, in accordance with the provisions of the Deeds Registries Act, 47 of 1937 (“**Transfer Date**”) (“**Transfer**”) and to the revenues relating to the Kramerville Property;
 - 1.2.3 all of the fixed assets belonging to the Seller and used in connection with the management, control, maintenance and/or functioning of the Letting Enterprise (“**Fixed Assets**”) and the movable assets as also all other assets necessary to carry on the Letting Enterprise; and
 - 1.2.4 excludes all liabilities of the Letting Enterprise as at the Transfer Date, or incurred prior to the Transfer Date; all claims for payment of arrear rental and other amounts payable to the Seller in terms of the Leases (including leases that have terminated) for any period before the Transfer Date; and any employees employed by the Seller in relation to the Letting Enterprise as at the Transfer Date.
- 1.3 Tarloy Properties is a niche-focused property fund that specialises in creating, curating and customising high profile commercial properties in Johannesburg. The Seller is a privately owned South African company held by an individual and a family trust. Neither Tarloy Properties, its beneficial owners, nor any of their representatives are related parties to Putprop. The Seller did not consent to the disclosure of the names of the beneficial owners in this announcement.

2. THE ACQUISITION

2.1 Additional details of the Kramerville Property

The Kramerville Property is a multi-tenant three-storey retail centre with a total gross rentable area of 6 253m². As at the Signature Date, the weighted average rental is R180.06 per m².

2.2 Rationale for the Acquisition

2.2.1 Located at the top of Kramerville’s design district nucleus, the Letting Enterprise is home to a diverse collection of leading design and décor retailers. The Kramerville Property is ideally

located to draw both commercial and general retail trade. Current tenants include respected names like Streamlight, Handles Inc, Design Plus, @ Home, and Raiel.

- 2.2.2 The board of directors of Putprop ("**Board**") is of the view that the Kramerville Property, being a strategically located and fully let asset within a prominent design and commercial node, represents a strong addition to the portfolio. The Board further believes that the Acquisition is consistent with Putprop's strategy of recycling into assets and precincts that offer income return and capital preservation.

2.3 Conditions Precedent

- 2.3.1 The provisions of the Kramerville Agreement (other than certain surviving provisions) are subject to the fulfilment of the following or waiver of the following Conditions Precedent:

2.3.1.1 within 30 days of the Signature Date, the Purchaser confirming in writing that it (or its duly authorised representative) has completed a comprehensive due diligence investigation ("**Due Diligence**"), is satisfied with the results thereof in respect of the Letting Enterprise, and has elected to proceed with the Acquisition, failing which this Condition Precedent will be deemed not to have been fulfilled;

2.3.1.2 within 30 business days of the Signature Date ("**Initial Period**"), the Purchaser obtaining approval for a loan from a registered financial institution in the amount of R85 000 000, or such lesser amount acceptable to the Purchaser, on terms reasonably acceptable to it and secured by a first mortgage bond over the Kramerville Property, failing which this condition shall be automatically extended by a further three business days, provided that the Purchaser notifies the Seller and the Conveyancers in writing prior to expiry of the Initial Period, and with fulfilment occurring upon written confirmation of such approval to the Conveyancers; and

2.3.1.3 approval of the Acquisition by shareholders of Putprop at a general meeting of the Company, as required in terms of the Listings Requirements of the JSE Limited ("**JSE**"), within 60 days of the Signature Date, and the Purchaser delivering written confirmation of such approval to the Seller and the Conveyancers within three business days of obtaining same.

- 2.3.2 The Conditions Precedent referred to in:

2.3.2.1 paragraphs 2.3.1.3 and 2.3.1.4 above are for the benefit of the Purchaser and may be waived or relaxed by it in writing prior to the applicable fulfilment date;

2.3.2.2 paragraphs 2.3.1.1 and 2.3.1.2 above are for the benefit of both the Purchaser and the Seller ("**Parties**");

2.3.2.3 paragraph 2.3.1.5 is regulatory in nature and is not capable of waiver or relaxation.

- 2.3.3 If any of the Conditions Precedent are not fulfilled or waived within the stipulated time periods (as extended), the Kramerville Agreement shall lapse (save for the surviving provisions), provided that the conditions operate concurrently and not sequentially;

- 2.3.4 If the Conditions Precedent are not fulfilled or waived within the applicable or extended periods, the Kramerville Agreement will automatically terminate without further force or effect, and the Parties shall use their reasonable endeavours to restore the status quo ante, with no claims arising from such non-fulfilment (save for breach).

2.4 Purchase Price and Effective Date

- 2.4.1 The Purchase Price payable by the Purchaser to the Seller for the Letting Enterprise is an amount of R124 500 000, which amount will be secured as follows:

- 2.4.1.1 a deposit in the amount of R3 112 500 ("**Deposit**") will be payable by the Purchaser to the Conveyancers within seven business days of fulfilment or waiver of the Conditions Precedent set out in paragraph 2.3.1 above;
- 2.4.1.2 the balance of the Purchase Price is to be secured by an irrevocable guarantee from a registered South African bank, payable on Transfer and delivered to the Conveyancers within 21 days of fulfilment of the Condition Precedent referred to in paragraph 2.3.1.4 above, or if any part is paid in cash, to be deposited into the Conveyancers' bank account within the same period and held in an interest-bearing trust account, with interest to accrue for the benefit of the Purchaser, pending Transfer.
- 2.4.2 The Deposit will, from the date of receipt by the Conveyancers, be invested in an interest-bearing account for the benefit of the Purchaser, with all interest accruing to the Purchaser and to be paid over to the Purchaser on Transfer, or, in the event of the Kramerville Agreement failing to become unconditional, to be refunded to the Purchaser together with the accrued interest.
- 2.4.3 The Purchaser will take possession and occupation of the Letting Enterprise with effect from the Transfer Date, subject to existing tenant rights under the Leases, from which date all risk, benefit, and entitlement to income and benefits attaching to the Letting Enterprise will pass to the Purchaser ("**Effective Date**").
- 2.4.4 Should the transaction not qualify as a zero-rated supply, VAT at the applicable rate will be payable by the Purchaser.

2.5 Other significant terms of the Acquisition

- 2.5.1 The Parties have agreed that:
 - 2.5.1.1 the Letting Enterprise is capable of separate occupation and is disposed of as a going concern;
 - 2.5.1.2 the Letting Enterprise will remain active and operating until Transfer and will constitute an income-earning activity on the Transfer Date;
 - 2.5.1.3 all the assets which are necessary for carrying on the Letting Enterprise are disposed of by the Seller to the Purchaser;
 - 2.5.1.4 by reason of the provisions of section 11(1)(e) of the Value-Added Tax Act, 89 of 1991 as amended the supply is subject to payment of VAT at a rate of 0%; and
 - 2.5.1.5 the Purchase Price includes VAT at a rate of 0%.
- 2.5.2 The Seller will procure Transfer of the Kramerville Property as soon as possible after the date of fulfilment of the last Condition Precedent ("**Fulfilment Date**"), subject to the issuance of required clearances and approvals and compliance by both Parties with their respective obligations, with all transfer costs for the account of the Purchaser.
- 2.5.3 Against payment of the Purchase Price, and with effect from the Transfer Date, the Purchaser will automatically and irrevocably acquire cession of (i) all tenant deposits held by the Seller in respect of the Leases, with the Seller accounting to the Purchaser therefor; (ii) all of the Seller's rights, title and interest in and to the supplementary documents of title ("**Supplementary Documents of Title**") as described in the Kramerville Agreement (to the extent applicable post-Transfer); and (iii) all of the Seller's rights, title and interest in and to all existing administration, maintenance and related contracts pertaining to the Letting Enterprise and/or the Kramerville Property.

- 2.5.4 From the Signature Date until the Transfer Date, the Seller will continue to manage and maintain the Letting Enterprise in substantially the same manner as prior to the Signature Date, keeping it operational and in good order (fair wear and tear excepted), with the ability to conclude or amend lease-related arrangements in the ordinary course provided such actions do not materially adversely affect the Purchaser, while not cancelling or materially altering existing Leases outside the ordinary course. All improvements will remain insured, income from rentals will accrue to the Seller until the Transfer Date (save for prepaid rentals, which will be accounted to the Purchaser), and the Purchaser shall bear a pro rata portion of any tenant-related costs incurred after the Transfer Date.
- 2.5.5 The Seller will deliver an adjustment account within 60 days after the Transfer Date, reflecting all amounts due to or from the Seller, including expenses, recoveries, tenant-related costs and commissions accrued up to the Transfer Date. Adjustments will include all income and expenditure attributable to the Letting Enterprise, including rates, utilities, commissions and other property-related costs, apportioned as at the Transfer Date. For purposes of the adjustment, pro rata apportionments will be made between the Seller and the Purchaser based on the effective date of transfer, with the Purchaser assuming liability for expenses and receiving income from the Transfer Date.
- 2.5.6 With effect from the Transfer Date, the Seller cedes and assigns to the Purchaser all of its rights, title and interest in and to the Leases, the Supplementary Documents of Title, and any associated suretyships or securities, and warrants that no maintenance, management or similar agreements will exist at Transfer other than those disclosed during the Due Diligence, all of which will be terminated prior to the Transfer Date, with the Purchaser assuming no liability in respect thereof thereafter.
- 2.5.7 The Purchaser acquires the Kramerville Property “voetstoots” and subject to all existing servitudes, encumbrances and applicable planning schemes and restrictions, as recorded in the title deed, together with the disclosures, undertakings and warranties provided by the Seller.
- 2.5.8 The Kramerville Agreement contains warranties and undertakings which are standard for transactions of this nature, including customary title and property-related warranties.
- 2.5.9 The Purchaser will be liable, in the event of any failure to fulfil its obligations under the Kramerville Agreement (including payment or provision of guarantees), to pay interest to the Seller on the outstanding Purchase Price at the prevailing South African prime rate plus 2%, calculated from the date of written notice by the Conveyancers until the default is remedied, with such interest payable within three days of demand.
- 2.5.10 The Seller will not be liable to compensate the Purchaser for any claims, losses, expenses or damages arising from any breach of warranties, representations, undertakings or indemnities under the Kramerville Agreement unless the quantum of the relevant claim which the Purchaser makes against the Seller exceeds R50 000, subject to an aggregate liability not exceeding R250 000.
- 2.5.11 If either Party breaches the Kramerville Agreement and fails to remedy such breach within 14 days of written notice, the aggrieved Party will be entitled, without prejudice to its other rights, to either cancel the Kramerville Agreement (in which case, if the Purchaser is in breach, the Seller may retain the deposit as agreed damages) or demand specific performance, and in all cases may claim any damages suffered.

2.6 **Agent's commission**

- 2.6.1 Agent's commission of R2 490 000, plus VAT, will be payable to K2023 South Africa Proprietary Limited t/a RAD Properties, on the Transfer Date.

3. FINANCIAL INFORMATION

The net asset value and the profit after tax attributable to the net assets of the Letting Enterprise were R38 726 515 and R10 162 067, respectively, as per the audited annual financial statements of the Seller for the year ended 28 February 2026.

The audited annual financial statements of the Seller for the year ended 28 February 2026 were prepared in accordance with International Financial Reporting Standards and the Companies Act (Act 71 of 2008), as amended.

4. CATEGORISATION OF THE ACQUISITION

The Acquisition constitutes a Category 1 transaction in terms of the JSE Listings Requirements and is accordingly subject to approval by shareholders present or represented in general meeting. A circular setting out full details and containing, *inter alia*, a notice convening a general meeting of shareholders will be distributed to shareholders in due course.

Johannesburg
3 June 2026

Sponsor
Merchantec Capital