



ARROWHEAD PROPERTIES

Focused on sustainable value

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" or the "Company")

REVISED LISTING PARTICULARS

PREPARED IN TERMS OF THE JSE LISTINGS REQUIREMENTS

The definitions commencing on page 6 of these Revised Listing Particulars apply throughout this document, including this cover page, except where the context indicates a contrary intention.

These Revised Listing Particulars are not an invitation to the public to subscribe for Arrowhead Shares but are issued in compliance with the Listings Requirements of the JSE Limited for purposes of providing information to the public with regard to the Company. Although still subject to a number of conditions, these Revised Listing Particulars have been prepared on the assumption that the Transaction has been implemented, and therefore this document has been prepared in relation to the Combined Group, being the Arrowhead Group as enlarged by the acquisition of the entire issued share capital of Fairvest.

Post implementation of the Scheme, Arrowhead will change its name to "Fairvest Limited".

As at the Last Practicable Date:

- the authorised share capital of Arrowhead comprises 1 000 000 000 AHA Shares and 2 000 000 000 AHB Shares;
- the issued share capital of Arrowhead comprises 62 718 658 AHA Shares and 951 422 029 AHB Shares; and
- 655 032 AHB Shares held in treasury.

Pursuant to the implementation of the Scheme, assuming that no Fairvest Shares are to be repurchased by Fairvest pursuant to an appraisal rights process in terms of section 164 of the Companies Act, 545 045 125 AHB Shares will be issued in respect of the Scheme Consideration Shares, with the result that:

- the authorised share capital of Arrowhead will comprise 1 000 000 000 AHA Shares and 2 000 000 000 AHB Shares;
- the issued share capital of Arrowhead will comprise 62 718 658 AHA Shares and 1 496 467 154 AHB Shares; and
- 10 973 096 AHB Shares will be held in treasury.

The AHB Shares to be issued pursuant to the implementation of the Transaction will rank *pari passu* in all respects with existing AHB Shares in issue. There are no convertibility or redemption provisions relating to any of the AHB Shares to be issued.

Arrowhead Shareholders are referred to the Scheme Circular which is available on Fairvest's website (<https://fairvest.co.za/news/notices>) for information regarding the Scheme. In this regard, a scheme of arrangement in terms of section 114 of the Companies Act has been proposed by the Fairvest Board between Fairvest and the Fairvest Shareholders and to which Arrowhead is a party. In the event of the Conditions Precedent being fulfilled or waived (to the extent permissible) and the Scheme becoming operative, Arrowhead will by operation of law become the sole shareholder of Fairvest and Scheme Participants will, against surrender of their relevant Documents of Title (if applicable) in accordance with the provisions of the Scheme Circular, become entitled to receive the Scheme Consideration in respect of each Fairvest Share held by them.

Upon implementation of the Scheme, the Fairvest Shares will be delisted from the Main Board of the JSE.

Scheme Participants should note that the Scheme Consideration comprises AHB Shares which shall be listed on the Main Board of the JSE, and trade on the JSE in electronic format through the Strate system.

The directors, whose names appear on page 14, collectively and individually accept full responsibility for the accuracy of the information contained in this document which relates to Arrowhead and, in this regard, certify that, to the best of their knowledge and belief, there are no facts that have been omitted which would make any statement false or misleading, and that all reasonable enquiries to ascertain such facts have been made and that these Revised Listing Particulars contain all information required by the Companies Act and the JSE Listings Requirements.

All advisors whose names and/or reports are contained in these Revised Listing Particulars have consented in writing to act in the capacity stated and to their names being included in these Revised Listing Particulars and, if applicable, to the inclusion of their respective reports in these Revised Listing Particulars in the form and context in which they appear and have not withdrawn their written consents prior to publication hereof.

Joint Corporate Advisor and Transaction Sponsor



Lead Corporate Advisor



Independent Reporting Accountant



Attorney and Competition Law Advisor



Independent Property Valuers



Date of issue: 10 December 2021

These Revised Listing Particulars are available in English only. Hard copies of this document will be available at the Registered Office of the Company and on the Company's website (<https://www.arrowheadproperties.co.za/prospectus-and-circular.php>) from 10 December 2021.

SPECIAL NOTES WITH REGARD TO THE SCHEME

This document does not constitute an offer to the public to subscribe for Arrowhead Shares or other securities in the Company and only constitutes an offer as it relates to the issue of the Scheme Consideration Shares to the Scheme Participants in South Africa and is only addressed to persons to whom it may lawfully be made.

The release, publication or distribution of these Revised Listing Particulars in certain jurisdictions may be restricted by law and therefore persons in any such jurisdictions into which this document is released, published or distributed should inform themselves about and observe any such restrictions. Any failure to comply with the applicable restrictions may constitute a violation of the securities laws of any such jurisdiction.

These Revised Listing Particulars do not constitute an offer or an invitation to elect to receive the Scheme Consideration Shares in any jurisdiction in which such an offer or election would be unlawful. No one has taken any action that would permit a public offering of the Scheme Consideration Shares to occur outside South Africa.

Forward-looking statements

These Revised Listing Particulars contain statements that are or may be forward-looking statements. All statements, other than statements of historical fact are, or may be deemed to be, forward-looking statements, including, without limitation, those concerning strategy; the economic outlook for the industry; production; cash costs and other operating results; growth prospects and outlook for operations, individually or in the aggregate; liquidity and capital resources and expenditure, and the outcome and consequences of any pending litigation proceedings. These forward-looking statements are not based on historical facts, but rather reflect current expectations concerning future results and events and generally may be identified by the use of forward-looking words or phrases such as "believe", "aim", "expect", "anticipate", "intend", "foresee", "forecast", "likely", "should", "planned", "may", "estimated", "potential" or similar words and phrases.

Examples of forward-looking statements include statements regarding a future financial position or future profits, cash flows, corporate strategy, anticipated levels of growth, estimates of capital expenditures, acquisition strategy, expansion prospects or future capital expenditure levels and other economic factors, such as, *inter alia*, interest rates.

By their nature, forward-looking statements involve risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. Arrowhead cautions that forward-looking statements are not guarantees of future performance. Actual results, financial and operating conditions, liquidity and the developments within the industry in which Arrowhead operates may differ materially from those made in, or suggested by, the forward-looking statements contained in these Revised Listing Particulars.

All these forward-looking statements are based on estimates and assumptions, as regards to Arrowhead and Fairvest, made by Arrowhead and made by Fairvest as communicated in publicly available documents issued by Arrowhead and Fairvest, all of which estimates and assumptions, although Arrowhead believes them to be reasonable, are inherently uncertain. Such estimates, assumptions or statements may not eventuate. Factors which may cause the actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied in those statements or assumptions include other matters not yet known to Arrowhead or not currently considered material by Arrowhead.

Arrowhead Shareholders should keep in mind that any forward-looking statement made in these Revised Listing Particulars or elsewhere is applicable only at the date on which such forward-looking statement is made. New factors that could cause the business of Arrowhead or Fairvest not to develop as expected may emerge from time to time and it is not possible to predict all of them. The extent to which any factor or combination of factors may cause actual results to differ materially from those contained in any forward-looking statement are not known. Arrowhead has no duty to, and does not intend to, update or revise the forward-looking statements contained in these Revised Listing Particulars after the date of hereof, except as may be required by law.

Dates and times

The dates and times referred to in these Revised Listing Particulars are subject to change. Any such changes will be published on SENS. All dates and times referred to in this document are South African dates and times.

CORPORATE INFORMATION AND ADVISORS

Arrowhead Company Secretary and Registered Office

Vicki Turner
Arrowhead Properties Limited
(Registration number 2007/032604/06)
3rd Floor, Upper Building
1 Sturdee Avenue
Rosebank, 2196
(PO Box 685, Melrose Arch, 2076)

Date of incorporation: 13 November 2007
Place of incorporation: Republic of South Africa

Joint Corporate Advisor and Transaction Sponsor

Nedbank Corporate and Investment Banking,
a division of Nedbank Limited
(Registration number 1951/000009/06)
3rd Floor, Corporate Place, Nedbank Sandton
135 Rivonia Road
Sandton, 2196
(PO Box 1144, Johannesburg, 2000)

Attorney and Competition Law Advisor

Cliffe Dekker Hofmeyr Incorporated
(Registration number 2008/018923/21)
11 Buitengracht Street
Cape Town, 8001
(PO Box 695, Cape Town, 8000)

Transfer Secretary to Arrowhead

JSE Investor Services South Africa
Proprietary Limited
(Registration number 2000/007239/07)
13th Floor, 19 Ameshoff Street
Braamfontein, 2001
(PO Box 4844, Johannesburg, 2000)

Fairvest Registered Office

Fairvest Property Holdings Limited
(Registration number 1998/005011/06)
8th Floor, The Terraces
34 Bree Street
Cape Town, 8001
(Postnet Suite 30, Private Bag X3, Roggebaai, 8012)

Date of incorporation: 17 March 1998
Place of incorporation: Republic of South Africa

Lead Corporate Advisor

Ferryman Capital Partners Proprietary Limited
(Registration number 2017/026566/07)
3rd Floor, Upper Building
1 Sturdee Avenue
Rosebank, 2196

Independent Reporting Accountant

BDO South Africa Incorporated
(Registration number: 1995/002310/21)
Wanderers Office Park
52 Corlett Drive
Illovo, 2196
(Private Bag X60500, Houghton, 2041)

Transfer Secretary to Fairvest

Computershare Investor Services Proprietary Limited
(Registration number 2004/003647/07)
Rosebank Towers
15 Biermann Avenue
Rosebank, 2196
(Private Bag X9000, Saxonwold, 2132)

Independent Property Valuers

Broll Valuation and Advisory Services Proprietary Limited
(Registration number 1968/003515/07)
Sixty One Katherine
61 Katherine Street
Sandown Ext. 54
Sandton, 2196
(PO Box 1455, Saxonwold, 2132)

De Leeuw Valuers Cape Town (RF) Proprietary Limited
(Registration number 2015/285229/07)
Jan de Waalhuis
93 Bree Street
Cape Town, 8001
(PO Box 1278, Cape Town, 8000)

DDP Valuation and Advisory Services Proprietary Limited
(Registration number 2007/018821/07)
Menlyn Square Office Park
North West Suite
1st Floor, East Block
134 Aramist Avenue
Menlyn, Pretoria, 0181
(PO Box 40408, Moreleta Park, 0044)

Bankers

The Standard Bank of South Africa Limited
(Registration number 1969/017128/06)
30 Baker Street, Rosebank,
Johannesburg, 2001

Nedbank Limited
(Registration number 1951/000009/06)
135 Rivonia Road
Sandton, 2196
(PO Box 1144, Johannesburg, 2000)

FirstRand Bank Limited
(Registration number 1929/001225/06)
25th Floor, Portside, 5 Buitengracht Street
Cape Town, 8001
(PO Box 367, Cape Town, 8000)

Investec Bank Limited
(Registration number 1969/004763/06)
100 Grayston Drive, Sandown
Sandton, 2196
(PO Box 785700, Sandton, 2146)

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DEFINITIONS AND INTERPRETATIONS

In these Revised Listing Particulars and its annexures, unless otherwise stated or the context otherwise indicates, the words in the first column shall have the meanings stated opposite them in the second column and words in the singular shall include the plural and vice versa, natural persons shall include corporations and associations of persons and an expression denoting any gender shall include the other genders:

"A2X"	the exchange operated by A2X Proprietary Limited (Registration number 2014/147138/07), a private company incorporated and registered in accordance with the laws of South Africa, and licensed as an exchange under the Financial Markets Act;
"AHA Shares"	an A ordinary share of no par value in the share capital of Arrowhead;
"AHA Shareholders"	holders of AHA Shares;
"AHB Shares"	a B ordinary share of no par value in the share capital of Arrowhead;
"AHB Shareholders"	holders of AHB Shares;
"ANS"	A2X News Service;
"appraisal rights"	the rights afforded to Arrowhead Shareholders in terms of section 164 of the Companies Act;
"Arrowhead" or the "Company"	Arrowhead Properties Limited (Registration number 2007/032604/06), a public company duly incorporated in accordance with the laws of South Africa, the shares of which are listed on the JSE;
"Arrowhead Board" or "Board"	the board of directors of Arrowhead at the Last Practicable Date;
"Arrowhead Group"	Arrowhead and its Subsidiaries;
"Arrowhead Shareholders"	registered holders of Arrowhead Shares;
"Arrowhead Shares"	collectively, AHA Shares and AHB Shares, and " Arrowhead Share " refers to any one of them, as the context may require;
"Associate"	has the meaning ascribed to it in the Listings Requirements;
"Attorneys and Competition Law Advisors" or "CDH"	Cliffe Dekker Hofmeyr Incorporated, (Registration number 2008/018923/21), a private company duly incorporated in accordance with the laws of South Africa;
"Broker"	any person registered as a "broking member (equities)" in accordance with the provisions of the Financial Markets Act;
"Broll"	Broll Valuation and Advisory Services, Registration number 1968/003515/07, a private company duly incorporated in accordance with the laws of South Africa;
"Business Day"	means any day other than a Saturday, Sunday or official public holiday in South Africa;
"cents"	South African cents in the official currency of South Africa;
"CEO"	Chief Executive Officer;
"Circular"	the category 1 circular to Arrowhead Shareholders dated 10 December 2021, including all annexures and attachments, the Notice of General Meeting and Form of Proxy;
"Clean-out Distribution"	the cash distribution by each of Arrowhead and Fairvest of all its distributable income in respect of the applicable Pre-Transaction Financial Period;
"Combined Group"	the Arrowhead Group as enlarged by the acquisition of the Fairvest Group pursuant to the Transaction;

"Commercial Effective Date"	the date upon which the Scheme, should it become operative in accordance with its terms, will have commercial effect, which is intended to be on 1 October 2021;
"Companies Act"	the South African Companies Act, 2008 (Act 71 of 2008), as amended;
"Companies Regulations"	the Companies Regulations, 2011, promulgated in terms of section 223 of the Companies Act as amended;
"Comparable Offer"	in addition to the Mandatory Offer, the comparable offer required to be made by Fairvest to acquire the AHA Shares in terms of section 125 of the Companies Act, which requirement shall be triggered pursuant to the implementation of the Fairvest Acquisition Agreements (if such implementation were to occur);
"Competition Act"	the Competition Act, 1998 (Act 89 of 1998), as amended;
"Competition Authorities"	the commission established pursuant to Chapter 4, Part A of the Competition Act or the tribunal established pursuant to Chapter 4, Part B of the Competition Act or the appeal court established pursuant to Chapter 4, Part C of the Competition Act, as the case may be;
"Conditions Precedent"	the conditions precedent to which the Scheme is subject, as set out in paragraph 3.6, Section 2 of these Revised Listing Particulars;
"Court"	any South African Court with competent jurisdiction to approve the implementation of the special resolution set out in the notice convening the Scheme Meeting pursuant to section 115 of the Companies Act and/or to determine the fair value of Arrowhead Shares and Fairvest Shares and make an order pursuant to section 164(14) of the Companies Act;
"CSDP"	a Central Securities Depository Participant, accepted as a participant in terms of the Financial Markets Act;
"DDP"	DDP Valuation & Advisory Services Proprietary Limited, (Registration number 2007/018821/07), a private company duly incorporated in accordance with the laws of South Africa;
"De Leeuw Valuers"	De Leeuw Valuers Cape Town (RF) Proprietary Limited, Registration number 2015/285229/07, a private company duly incorporated in accordance with the laws of South Africa;
"Dematerialised Arrowhead Shares"	Arrowhead Shares which have been dematerialised in terms of the requirements of Strate;
"Departing Executive(s)"	Mark Kaplan and Junaid Limalia;
"Departing Executive Termination Agreements"	the agreements entered into between the Company and each of Mark Kaplan and Junaid Limalia on 17 November 2021, in terms of which each of Mark Kaplan and Junaid Limalia have accepted an agreed exit in accordance with the key terms set out in paragraph 5 of Annexure 3 ;
"Departing Executive Termination Date"	the date upon which the employment of each of Mark Kaplan and Junaid Limalia with the Company will terminate, being on the earlier of five business days after the Transaction becomes unconditional or on the last day of the month in which the Scheme Operative Date occurs;
"Dissenting Fairvest Shareholder"	a Fairvest Shareholder that has validly exercised its appraisal rights in accordance with section 164(3) and section 164(5) to (8) of the Companies Act, and (i) has not withdrawn its demand made in terms of section 164(5) to (8) of the Companies Act; and (ii) has not allowed an offer made to it by Fairvest in terms of section 164(11) of the Companies Act to lapse;
"Document(s) of Title"	share certificate(s), transfer deed(s) or form(s), balance receipt(s) or any other document(s) of title acceptable to Arrowhead in respect of Certificated Arrowhead Shareholder(s);

"Fairvest"	Fairvest Property Holdings Limited, (Registration number 1998/005011/06), a public company duly incorporated in accordance with the laws of South Africa, the shares of which are listed on the Main Board of the JSE and the securities exchange operated by A2X;
"Fairvest Acquisition"	collectively, the proposed acquisition by Fairvest of 507 778 681 AHB Shares (50.1% of issued Arrowhead Shares) from various AHB Shareholders in terms of the Fairvest Acquisition Agreements, the acquisition by Fairvest of further AHB Shares pursuant to acceptances, if any, of the Mandatory Offer and the acquisition by Fairvest of AHA Shares pursuant to acceptances, if any, of the Comparable Offer;
"Fairvest Acquisition Agreements"	the agreements entered into on 18 May 2021 between Fairvest and various AHB Shareholders, holding, in aggregate, 507 778 681 (50.1% of issued Arrowhead Shares) AHB Shares, to acquire their AHB Shares in exchange for Fairvest Shares, at a share swap ratio of 1.85 Fairvest Shares for each AHB Share held;
"Fairvest Board"	the board of directors of Fairvest;
"Fairvest Circular"	the circular to Fairvest shareholders dated Tuesday, 10 August 2021, including all annexures, a notice of general meeting and form of proxy, which details, <i>inter alia</i> , the Fairvest Acquisition and the Fairvest Manco Internalisation;
"Fairvest Group"	Fairvest and its Subsidiaries;
"Fairvest Independent Board"	the Fairvest independent board comprising Louis Andrag, Khengu Nkuna, Ndabezinhle Mkhize, Jacob Wiese and Trevor Cohen, all of whom are independent non-executive directors of Fairvest, which has been specifically constituted in terms of Regulation 108 of the Companies Regulations to appraise the Transaction on behalf of the Fairvest Board;
"Fairvest Manco Internalisation"	the internalisation of Fairvest's asset management function by way of the acquisition of the entire issued share capital of New Star by Fairvest, as fully detailed in the Fairvest Circular, as approved by Fairvest Shareholders on 7 September 2021, and which transaction became effective on 1 October 2021;
"Fairvest Manco Internalisation Agreement"	the agreement entered into between Fairvest, New Star and the Old New Star Shareholders on 30 July 2021 in respect of the Fairvest Manco Internalisation;
"Fairvest Revised Listing Particulars"	the revised listing particulars document accompanying the Fairvest Circular, dated Tuesday, 10 August 2021, including all annexures thereto;
"Fairvest Shares"	no par value ordinary shares in the issued share capital of Fairvest;
"Fairvest Shareholders"	holders of Fairvest Shares;
"Finalisation Date"	the date on which all the Conditions Precedent have been fulfilled or waived (where applicable), as the case may be;
"Financial Markets Act"	the Financial Markets Act, 2012 (Act 19 of 2012), as amended;
"Financial Year"	the financial year of Arrowhead, ending on 30 September of each year;
"Form of Proxy"	the form of proxy incorporated into the Circular for use only by (i) Certificated Arrowhead Shareholders and (ii) Dematerialised Arrowhead Shareholders with own name registration, for purposes of appointing a proxy to represent such Arrowhead Shareholder at the General Meeting;
"Gemgrow"	the former name of Arrowhead, being "Gemgrow Properties Limited", which changed its name to "Arrowhead Properties Limited" with effect from 9 October 2019;

"Gemgrow Arrowhead Merger"	the acquisition by the Company, by way of scheme of arrangement in terms of section 114(1) of the Companies Act, of the entire issued share capital of Old Arrowhead, effective 9 October 2019, but as at the Last Practicable Date, excluding the 3 298 466 (c. 0.3%) of the issued shares in Old Arrowhead still held by dissenting shareholders and subject to an appraisal rights process in terms of section 164 of the Companies Act;
"General Meeting"	the combined General Meeting of AHA Shareholders and AHB Shareholders to be held at 11:00 on Friday, 14 January 2022, at 3rd Floor Upper Building, 1 Sturdee Avenue, Rosebank, 2196 and through electronic participation by way of telephone conferencing or by way of MS Teams, including any postponement or adjournment or a reconvening thereof;
"GLA"	gross lettable area, being the total area of a property that can be rented to a tenant, measured in m ² ;
"IFRS"	International Financial Reporting Standards;
"Implementation Agreement"	the Scheme Implementation Agreement dated 23 September 2021 and the addenda thereto dated 27 September 2021, 29 October 2021 and 15 November 2021 entered into between Arrowhead and Fairvest, which regulates, <i>inter alia</i> , the basis on which the Scheme will be proposed and, if applicable, implemented;
"Income Tax Act"	the Income Tax Act, 1962 (Act 58 of 1962), as amended;
"Independent Property Valuers"	collectively, Broll, De Leeuw Valuers and DDP;
"Independent Reporting Accountants" or "BDO"	BDO South Africa Incorporated (Registration number 1995/002310/21), company duly incorporated in accordance with the laws of South Africa;
"Indluplace"	Indluplace Properties Limited (Registration number 2013/226082/06), a public company duly incorporated in accordance with the laws of South Africa, the shares of which are listed on the JSE;
"JHI"	Excellerate Real Estate Services Proprietary Limited (Registration number 2007/021131/07), a private company duly incorporated in South Africa;
"Joint Corporate Advisor and Transaction Sponsor" or "Nedbank"	Nedbank Limited, (Registration number 1951/000009/06), a public company duly incorporated and registered in accordance with the laws of South Africa, acting through its Corporate and Investment Banking division;
"Joint Firm Intention Announcement"	the joint firm intention announcement released on SENS and ANS by Arrowhead and Fairvest on 27 September 2021, setting out the terms of the Transaction;
"JSE"	JSE Limited, (Registration number 2005/022939/06), a public company duly registered and incorporated under the laws of South Africa and licensed as an exchange under the Financial Markets Act;
"Last Practicable Date"	the last practicable date prior to the finalisation of these Revised Listing Particulars, being Tuesday, 23 November 2021;
"Lead Corporate Advisor" or "Ferryman"	Ferryman Capital Partners Proprietary Limited, (Registration number 2017/026566/07), a private company duly incorporated in accordance with the laws of South Africa;
"Listings Requirements"	the listings requirements of the JSE, as amended;
"m²"	square metre;
"Major Subsidiary"	a Subsidiary that represents 25% or more of total assets or revenue of the consolidated group based on the latest published interim or year-end financial results, as defined in the Listings Requirements;

"Mandatory Offer"	the mandatory offer in terms of section 123 of the Companies Act that may be required to be made by Fairvest to the AHB Shareholders (other than the counterparties to the Fairvest Acquisition Agreements) to acquire their AHB Shares, which obligation shall be triggered by the implementation of the Fairvest Acquisition Agreements, should the acquisitions contemplated therein be implemented, which Mandatory Offer will be in addition to the Comparable Offer;
"MOI"	the memorandum of incorporation of Arrowhead;
"NAV"	net asset value;
"New Star"	New Star Asset Management Propriety Limited (Registration number 2005/029006/07), a private company duly incorporated in accordance with the laws of South Africa which company was responsible for Fairvest's asset management function prior to the completion of the Fairvest Manco Internalisation;
"NCA"	the National Credit Act, 2005 (Act 34 of 2005) as amended;
"Notice of General Meeting"	the notice convening the General Meeting, which is attached to and forms part of the Circular;
"Old Arrowhead"	Arrowgem Limited (Registration number 2011/000308/06), formerly known as Arrowhead Properties Limited, being a public company duly incorporated in South Africa, the shares of which were delisted from the JSE pursuant to the implementation of the Gemgrow Arrowhead Merger;
"Old New Star Shareholders"	collectively, Hilton Datnow, the Trustees for the time being of the Marcus Family Trust, the Trustees for the time being of the Wilder Family Trust, the Trustees for the time being of the Labora Trust, the Trustees for the time being of the Gelz Trust and the Trustees for the time being of the Universal Long Term Investment Trust;
"Parties"	jointly, Arrowhead and Fairvest, and "Party" shall refer to either one of them, as the context requires;
"Pre-Transaction Financial Period"	in respect of Arrowhead, the financial period commencing on 1 October 2020 and ending on 30 September 2021; and in respect of Fairvest, the financial period commencing on 1 January 2021 and ending on 30 September 2021;
"R"	South African Rands, the currency of South Africa;
"Registered Office"	Arrowhead's registered office, situated at 3rd Floor Upper Building, 1 Sturdee Avenue, Rosebank, Johannesburg, 2196;
"REIT"	a Real Estate Investment Trust as defined in the Income Tax Act;
"Revised Listing Particulars" or "this document"	this document accompanying the Circular, including its annexures, dated 10 December 2021;
"Scheme"	the scheme of arrangement in terms of section 114(1) of the Companies Act (read with section 115 of the Companies Act), proposed by the Fairvest Board (on recommendation by the Fairvest Independent Board) between Fairvest and Fairvest Shareholders, and to which Arrowhead shall be a party, in terms of which, if the Scheme becomes operative, Arrowhead will acquire all of the Scheme Shares held by the Scheme Participants for the Scheme Consideration and the Scheme Participants will by operation of the Scheme transfer their rights, title and interest in and to the Scheme Shares to Arrowhead on and subject to the terms and conditions contained in the Scheme Circular;
"Scheme Circular"	the circular issued jointly by Arrowhead and Fairvest on 19 November 2021 to Fairvest Shareholders in respect of <i>inter alia</i> , the Scheme, which document has been incorporated by reference as per paragraph 8 of Section 4 ;

"Scheme Consideration"	means the consideration payable by Arrowhead to Scheme Participants for their Fairvest Shares acquired in terms of the Scheme, being a consideration of 0.54054 AHB Shares to be issued and allotted to Scheme Participants for every one Fairvest Share disposed of by a Scheme Participant, which consideration shall be settled on the Scheme Consideration Settlement Date;
"Scheme Consideration Record Date"	the third Business Day after the Scheme Last Day to Trade, being the date on which holders of Fairvest Shares are required to be registered as such in the register in order to receive the Scheme Consideration, which date is expected to be 28 January 2022;
"Scheme Consideration Settlement Date"	the date on which Fairvest Shareholders are expected to receive the Scheme Consideration in settlement of the consideration under the Scheme;
"Scheme Consideration Shares"	545 045 125 AHB Shares, being the aggregate number of AHB Shares to be issued to the Scheme Participants in respect of the Scheme Consideration;
"Scheme Last Day to Trade"	the last day to trade in Fairvest Shares in order to be recorded in the Fairvest share register in order to receive the Scheme Consideration, which date is expected to be 25 January 2022;
"Scheme Meeting"	the meeting of Fairvest Shareholders to be held at 10:00 on Tuesday, 21 December 2021 or any other adjourned or postponed date and time, to be convened for the purposes of considering and, if deemed fit, approving, <i>inter alia</i> , the Scheme Resolution, including any adjournment or postponement thereof;
"Scheme Operative Date"	means the Business Day on which the Scheme becomes operative and is implemented in accordance with its terms, which is expected to be 31 January 2022;
"Scheme Participants"	the Fairvest Shareholders who are registered as the holders of Fairvest Shares in the securities register of Fairvest on the Scheme Consideration Record Date, but excluding (i) any Subsidiary of Fairvest which holds any Fairvest Shares (such Fairvest Shares constituting treasury shares) and (ii) any Dissenting Fairvest Shareholders;
"Scheme Resolution"	the special resolution, as contemplated in section 115(2) of the Companies Act, in terms of which Fairvest Shareholders approve the Scheme, which resolution is to be tabled at the Scheme Meeting;
"Scheme Shares"	all the Fairvest Shares held by Scheme Participants on the Scheme Consideration Record Date, which Fairvest Shares shall be acquired by Arrowhead pursuant to the Scheme;
"SENS"	the Stock Exchange News Service of the JSE;
"Share Swap Ratio"	a share swap ratio of 0.54054 AHB Shares for every Fairvest Share;
"South Africa"	the Republic of South Africa;
"Strate"	Strate Proprietary Limited, (Registration number 1998/022242/07), a private company duly incorporated and registered in accordance with the laws of South Africa, and the electronic settlement system for transactions that take place on the JSE and off-market transactions;
"Subsidiary"	a subsidiary as defined in Section 1 and read with Section 3 of the Companies Act and in the Listings Requirements;
"Synergy"	Synergy Income Fund, being the former name of Gemgrow;
"Synergy Transaction"	the strategic repositioning of the Company (formerly Synergy) as a specialist high yielding, high growth fund with a portfolio comprising retail, office and industrial assets as more fully detailed in a circular to shareholders dated 26 September 2016;
"Termination Date"	the date upon which the first of the Conditions Precedent is not timeously fulfilled or waived, as applicable, in which case the Scheme and the Implementation Agreement, and as a result, the Transaction, will terminate;

"Transaction"	the proposed acquisition by Arrowhead of the Scheme Shares pursuant to the Scheme, in consideration for the issue to Scheme Participants of the Scheme Consideration Shares, as fully detailed in this Circular;
"Transaction Costs"	any and all fees, costs and expenses incurred by any Party in connection with the Transaction;
"Transfer Secretaries" or "JSE Investor Services"	the transfer secretaries of Arrowhead being JSE Investor Services South Africa Proprietary Limited (Registration number 2000/007239/07), a private company duly incorporated and registered in accordance with the laws of South Africa;
"TRP"	the Takeover Regulation Panel, established in terms of section 196 of the Companies Act;
"Valid Demand"	means a demand/s made in terms of section 164(5) of the Companies Act, within the time period contemplated in section 164(7), by one or more Fairvest Shareholders, which shareholder/s comply with the requirements of section 164(5)(a) and (c) of the Companies Act, in terms of which such shareholder/s demand that Fairvest pay such shareholder/s the fair value for all of the Fairvest Shares such shareholder/s hold;
"VAT"	value added tax as defined in the Value Added Tax Act, 1991, as amended; and
"VWAP"	volume weighted average price.



ARROWHEAD PROPERTIES

Focused on sustainable value

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" or the "Company")

ARROWHEAD DIRECTORS

Executive

M Kaplan (Chief Executive Officer)

J Limalia (Chief Financial Officer)

Independent Non-Executive

G Kinross (Chairman)

T Adler

A Basserabie

N Makhoba

S Mokorosi

REVISED LISTING PARTICULARS

These Revised Listing Particulars are issued in compliance with the Listings Requirements for the purpose of providing information with regard to the Combined Group, as the implementation of the Transaction will result in a reverse takeover of Arrowhead in terms of paragraph 9.5(c) of the Listings Requirements.

This document does not constitute an invitation to the public to subscribe for Arrowhead Shares or other securities in Arrowhead.

SECTION 1 – COMPANY INFORMATION

1. NAME, ADDRESS, INCORPORATION

1.1 Name and registration number

Arrowhead Properties Limited, (Registration number 2007/032604/06).

Post the implementation of the Scheme, Arrowhead will change its name to "*Fairvest Limited*".

1.2 Addresses

1.2.1 **Registered office address:** 3rd Floor Upper Building, 1 Sturdee Avenue, Rosebank, Johannesburg, 2196.

1.2.2 **Primary place of business address:** 3rd Floor Upper Building, 1 Sturdee Avenue, Rosebank, Johannesburg, 2196.

1.2.3 **Address of Company's transfer secretary:** JSE Investor Services South Africa Proprietary Limited (Registration number 2000/007239/07), 13th Floor, 19 Ameshoff Street, Braamfontein, 2001.

1.3 Date and place of incorporation of Arrowhead

Incorporated in the Republic of South Africa on 13 November 2007.

1.4 Details of the subsidiaries of Arrowhead

The name, date and place of incorporation of each of Arrowhead's subsidiaries immediately after the implementation of the Scheme are set out in **Annexure 2**.

2. DIRECTORS, OTHER OFFICE HOLDERS OR MATERIAL THIRD PARTIES

2.1 Details of directors

2.1.1 As at the Last Practicable Date, the Arrowhead Board comprises:

Executive

M Kaplan (Chief Executive Officer)

J Limalia (Chief Financial Officer)

Independent non-executive

G Kinross (Chairman)

T Adler

A Basserabie

N Makhoba

S Mokorosi

2.1.2 The full names, positions, dates of appointment, ages, business addresses, qualifications and experience of the directors are set out below.

Name	Mark Jonathan Kaplan
Age	41
Business address	1 Sturdee Avenue, Rosebank, Johannesburg
Qualifications	BBusSc, Finance (Hons)
Position	CEO
Experience	Mark is the CEO of Arrowhead. Mark was the co-founder of Old Arrowhead (renamed " Arrowgem "), which was acquired by Arrowhead with effect from 23 September 2019. Mark was previously involved in managing a large residential portfolio focused on affordable student housing.

Name	Junaid Limalia
Age	49
Business address	1 Sturdee Avenue, Rosebank, Johannesburg
Qualifications	CA (SA), BCom, (Hons) BAcc, PG dip in International Taxation
Position	Chief Financial Officer
Experience	Junaid began his career over 20 years ago as a chartered accountant at PricewaterhouseCoopers. He spent two years in the United Kingdom, whereafter he moved to IBM South Africa's IT outsourcing division. From 2003, he held various positions at the South African Revenue Service ("SARS"), from tax auditor to executive of the investigative audit division for large business. He worked on redesigning the operating model of SARS's large business centre, project managed its implementation and represented SARS on IRBA's Committee for auditing standards.
Name	Gregory Stephen Kinross
Age	47
Business address	1 Sturdee Avenue, Rosebank, Johannesburg
Qualifications	BCom, BAcc, CA(SA)
Position	Independent non-executive director
Experience	Gregory qualified as a chartered accountant in 1997. The following year, he founded his own private equity business. In 2005, he became CEO and President of Tau Capital Corp., a mining and resource finance business. In 2013, he formed Innovo Capital Proprietary Limited to pursue private equity opportunities. Gregory is currently a partner in Evolve Capital Partners Proprietary Limited, a private equity and investment holding business.
Name	Taffy Monty Adler
Age	71
Business address	1 Sturdee Avenue, Rosebank, Johannesburg
Qualifications	BA, BPhil in African Studies, MSc in Building Science
Position	Independent non-executive director
Experience	Taffy is the director of the Property Revitalisation Programme for the University of the Witwatersrand. He was previously CEO of the Housing Development Agency and the Johannesburg Housing Company. He is also the non-executive Chairman of Indluplace.
Name	Arnold Basserabie
Age	77
Business address	1 Sturdee Avenue, Rosebank, Johannesburg
Qualifications	BSc (Mathematics and Statistics), ASA, CFP
Position	Independent non-executive director
Experience	After graduating with a BSc, Arnold joined Fedsure Financial Services Group. In 1988 he was appointed Group CEO, and its asset base grew from R2 billion to R40 billion during his 13-year tenure. In the 1990s, Arnold contributed to the advancement of a number of emerging businesses in South Africa. Since the early 2000s he has practised as a strategic consultant, focusing on strategy, business development and related activities, across a diverse range of industries. Arnold sits on the board of a number of companies and is, <i>inter alia</i> , Chairman of the Wits University Foundation's Board of Governors and Past Chairman of Wits University's Investment Committee.

Name	Nozipho Makhoba
Age	44
Business address	1 Sturdee Avenue, Rosebank, Johannesburg
Qualifications	CA(SA), BCom Accounting, Post-graduate Diploma: Accounting (Honours)
Position	Independent non-executive director
Experience	Nozipho qualified as a chartered accountant in 2003. She completed her articles at KPMG and gained both local and UK audit experience. She has extensive experience in the real estate sector and has a strong finance, investments and operations background. Nozipho is currently the Portfolio and Business Manager at STANLIB Limited, responsible for a property development portfolio in the Rest of Africa. Previously she held the role of Chief Financial Officer and Acting CEO for STANLIB Fahari I-REIT, a REIT listed on the Nairobi Securities Exchange. She has previously served in various roles within the Liberty Group Limited, including Manager: Group Corporate Finance; Executive Assistant to the Liberty Holdings Limited Managing Director; Executive Assistant to the STANLIB Limited CEO; and Project Manager at Liberty Properties Limited. From 2005 to 2010, Nozipho was the Finance and Operations Manager at the Public Investment Corporation where she helped manage a R26 billion property fund and spearheaded the establishment of an in-house property management function.
Name	Sam Mokorosi
Age	42
Business address	1 Sturdee Avenue, Rosebank, Johannesburg
Qualifications	BCom Honours in Economics
Position	Independent non-executive director
Experience	Sam is the Head of Origination and Deals at JSE Limited. He is a seasoned financial services executive, with 20 years' experience in property finance, the bond market, corporate finance and private equity. He has successfully executed corporate finance and private equity transactions worth R40 billion. He has worked at Vunani Capital, Standard Bank, Quartile Capital, IHS Investments and Cadiz Corporate Solutions.

All of the directors of Arrowhead are South African nationals.

- 2.1.3 The full names, positions, dates of appointment, ages, business addresses, qualifications and experience of the key executives responsible for the day to day running of the Arrowhead Group's business are set out below.

Name	Alon Isaac Kinkel
Age	38
Business address	1 Sturdee Avenue, Rosebank, Johannesburg
Qualifications	BCom
Position	Chief Investment Officer
Experience	Alon completed a BCom at the University of the Witwatersrand, majoring in accounting and human resources. He worked in the diamond industry for 15 years at Diacore, formerly the Steinmetz Group. His role included purchasing and analysing high quality investment diamonds for the Group. Alon has also been successful in purchasing neglected commercial and industrial buildings and turning them into quality, high yielding assets.

Name	Riaz Kader
Age	39
Business address	1 Sturdee Avenue, Rosebank, Johannesburg
Qualifications	BCom
Position	Chief Operating Officer
Experience	Riaz has a BCom from the University of the Witwatersrand and has 13 years of property experience in residential, retail, office and industrial property. He was previously a director of Excellerate Real Estate Services Proprietary Limited t/a JHI. Riaz has been involved in the management of Arrowgem's property portfolio since inception. His responsibilities include overseeing the performance of the property portfolio of the Arrowhead Group, with particular focus on leveraging efficiencies at the national level, debt management, lease negotiations and ensuring that income is optimised.

All of the above persons are South African nationals.

2.2 Details of the proposed directors of Arrowhead

- 2.2.1 The Arrowhead Board will be reconstituted on and with effect from the Scheme Operative Date. Resolutions to elect the new directors to the Arrowhead Board will be put to Arrowhead Shareholders at the General Meeting. Subject to the approval by Arrowhead Shareholders of the newly appointed directors to the board of the Combined Group, at the General Meeting, the board of directors of the Combined Group, will, with effect from the Implementation Date of the Transaction, comprise:

Executive

Darren Wilder (Chief Executive Officer)

Jacques Kriel (Chief Financial Officer)

Independent non-executive

Ndabe Mkhize (Chairman)

Jacques du Toit

Louis Andrag

Khegu Nkuna

Advocate Jacob Wiese

Nozipho Makhoba

Arnold Basserabie

- 2.2.2 Nozipho Makhoba and Arnold Basserabie will remain as directors on the Arrowhead Board.
- 2.2.3 Gregory Kinross, Taffy Adler and Sam Mokorosi will resign from the Arrowhead Board.
- 2.2.4 In terms of the Departing Executive Termination Agreements entered into between Mark Kaplan (currently Chief Executive Officer of Arrowhead) and Junaid Limalia (currently Chief Financial Officer of Arrowhead), each of Mark Kaplan and Junaid Limalia have agreed to resign from the Arrowhead Board with effect from the Departing Executive Termination Date, further details of which are set out in paragraph 5 of **Annexure 3**.

- 2.2.5 Other than the details of Arnold Basserabie and Nozipho Makhoba which are contained in paragraph 2.1.1 above, the full names, positions, dates of appointment, ages, business addresses, qualifications and experience of the proposed directors (which are currently directors of the Fairvest Group) of Arrowhead are set out below.

Name	Darren Wilder
Age	53
Business address	8th Floor, The Terraces, 34 Bree Street, Cape Town, 8001
Qualifications	–
Position	CEO
Experience	Darren worked for Seeff Properties in various positions from 1991 until 1997. During 1997 he was appointed to the board of the then JSE-listed company, Capital Alliance Properties, and was a participant in its management buy-out. Darren co-founded Spearhead Property group and was part of the team that listed the company on the JSE. He was appointed COO in 1999. Darren's work experience also includes national leasing director for Madison Properties, business development director of the V&A Waterfront and also a consultant to the CEO of the V&A Waterfront
Name	Jacques Kriel
Age	42
Business address	8th Floor, The Terraces, 34 Bree Street, Cape Town, 8001
Qualifications	CA (SA)
Position	Chief Financial Officer
Experience	Jacques is a qualified Chartered Accountant with 18 years' experience in audit, finance and operational management, eleven of which have been in the listed property sector. Jacques completed his articles at LDP Inc in South Africa and thereafter spent four years in the United Kingdom working at Ernst and Young and The Bank of England. Jacques joined Fairvest in 2010.
Name	Ndabezinhle Mkhize
Age	43
Business address	EPPF Office Park, 24 Georgian Crescent East, Bryanston East, Johannesburg, 2191
Qualifications	BSc Actuarial Science, CFA
Position	Chairman and independent non-executive director
Experience	Ndabe is the Chief Investment Officer of the Eskom Pension and Provident Fund. He is also chairman of IG Markets South Africa and of the Asset Owners Forum South Africa. Previous positions include co-portfolio manager at Coronation Fund Managers and STANLIB Asset Management and equity analyst at Prudential Investment Managers. Ndabe holds a BSc (Actuarial Science) degree from the University of Cape Town and the designations of Chartered Financial Analyst and Chartered Alternative Investment Analyst. He completed the Property Development Programme at the UCT Graduate School of Business.
Name	Jacques du Toit
Age	50
Business address	46 Orange Street, Gardens, Cape Town, 8001
Qualifications	CFA
Position	Independent non-executive director
Experience	Jacques is a chartered financial analyst and has been involved in the financial services industry since joining HSBC Simpson McKie as a stockbroker in 1998. He joined the portfolio management side at HSBC in 2003 and headed up the investment process until 2005 when he joined Investec Securities Limited as senior portfolio manager. In August 2008 he jointly set up a financial services company, Cohesive Capital. He serves as a director on the boards of a number of private companies.

Name	Louis Andrag
Age	48
Business address	Edward 2 Building, Edward Street, Bellville, Cape Town, 7530
Qualifications	BEng (Industrial Mechanical), MBA
Position	Independent non-executive director
Experience	Louis is a qualified engineer with a B.Engineering (Industrial Mechanical) degree and he also obtained his Honours and MBA degrees from the University of Stellenbosch. On qualifying Louis worked in the US and Germany as an engineer and on returning to South Africa he joined Stellenbosch Farmers' Winery as site engineer. In 2009 Louis founded Leggato Investments specialising in property investment and residential development. He serves as chairman and director on the boards of a number of private companies.

Name	Khegu Nkuna
Age	34
Business address	41 West Street, Houghton Estate, Johannesburg 7490
Qualifications	CA(SA)
Position	Independent non-executive director
Experience	Khegu qualified as a Chartered Accountant after completing her articles with Deloitte in 2013. She is currently the Group Financial Director of the Masingita Group. Masingita specialises in retail property development in similar LSM categories as Fairvest, resulting in Khegu being a valuable board member with retail property specific knowledge. Khegu has experience in both private and public companies spanning across diverse industries. She has professional experience in auditing, strategic financial management, strategy development, financial risk analysis and corporate governance.

Name	Advocate Jacob Wiese
Age	40
Business address	36 Stellenberg Road, Parow Industria, Cape Town, 7490
Qualifications	BA, LLB, Masters in International Economics and Management
Position	Independent non-executive director
Experience	Jacob holds a BA (Value and Policy studies) and an LLB degree. He completed his Master's degree in International Economics and Management from Universita Commerciale Luigi Bocconi in Italy. In 2009 Jacob completed his pupillage at the Cape Bar and was subsequently admitted as an Advocate of the High Court. Jacob is a non-executive director of Invicta Holdings. He is involved with the management of Lourensford Wine Estate, one of South Africa's most prestigious wine farms.

All of the proposed directors are South African nationals.

2.2.6 The appointment of the proposed directors is conditional on the Scheme becoming operative.

2.3 Additional information related to the directors

2.3.1 **Annexure 3** contains the following information in relation to the existing and proposed directors of Arrowhead:

- 2.3.1.1 emoluments of directors;
- 2.3.1.2 terms of employment of directors;
- 2.3.1.3 borrowing powers of the directors;
- 2.3.1.4 interests of directors and promoters;
- 2.3.1.5 declarations of the directors; and
- 2.3.1.6 directors' interests in Arrowhead Shares and transactions.

- 2.3.2 **Annexure 4** contains details of the current and past directorships and partnerships of the existing and proposed directors of Arrowhead.
- 2.3.3 The provisions of the MOI with regard to the following are set out in **Annexure 5**:
- 2.3.3.1 qualification of directors;
 - 2.3.3.2 remuneration of directors;
 - 2.3.3.3 any power enabling the directors to vote on remuneration to themselves or any member of the Arrowhead Board;
 - 2.3.3.4 the borrowing powers exercisable by the directors and how such borrowing powers can be varied; and
 - 2.3.3.5 retirement or non-retirement of directors under an age limit.

2.4 Details of directors of Major Subsidiaries of Arrowhead

Prior to, and post implementation of the Transaction, Indluplace will be the only Major Subsidiary of Arrowhead. The full names, ages, business addresses, qualifications, position and experience of each director of Indluplace are set out below:

Name	Petrus Carel de Wit
Age	53
Business address	2nd Floor, 158 Jan Smuts Building, 9 Walters Street, Rosebank, Johannesburg, 2196
Qualifications	BSc Building Science
Position	CEO
Experience	Carel joined Indluplace in 2014. He has extensive experience in commercial and residential property investment, development and management. His career in property includes time spent with Sanlam Properties, Metcash Trading, TAG Angola and the Johannesburg Housing Company. Carel has been the CEO of Indluplace since March 2016.
Name	Terence Kaplan
Age	45
Business address	2nd Floor, 158 Jan Smuts Building, 9 Walters Street, Rosebank, Johannesburg, 2196
Qualifications	BCom, BAcc, CA(SA)
Position	Financial director
Experience	Terry joined Indluplace as financial director in March 2016. Prior to this he was group finance executive at Massmart Holdings Limited. Terry previously worked for Redefine Properties Limited and lived and worked in the United Kingdom for eight years where he gained experience in both the banking and healthcare sectors. He began his career with Grant Thornton, where he qualified as a Chartered Accountant.

Name	Grant Harris
Age	40
Business address	2nd Floor, 158 Jan Smuts Building, 9 Walters Street, Rosebank, Johannesburg, 2196
Qualifications	–
Position	Chief Operating Officer
Experience	Grant joined Indluplace as Chief Operating Officer in July 2019. Prior to his appointment to Indluplace, Grant was the Managing Director of IHS Property Management, where he was responsible for the property management operations of multiple portfolios consisting of approximately 10 000 residential units. Prior to this, Grant was the CEO of Citiq, a privately held real estate investment business, focused on the affordable housing market, with assets under management in excess of two billion rand. Grant has more than 12 years of senior and executive management experience in property operations and asset management.
Name	Selwyn Noik
Age	74
Business address	2nd Floor, 158 Jan Smuts Building, 9 Walters Street, Rosebank, Johannesburg, 2196
Qualifications	CA(SA)
Position	Independent non-executive director
Experience	Selwyn is a Chartered Accountant. After qualifying, he spent 11 years in a managerial position with listed property company, Pioneer Holdings and Finance Corporation Limited. He was an executive director of the listed trade finance company Reichmans Limited for 10 years and after its acquisition by Investec Limited, he assumed the role of group secretary of Investec, a position he held for 13 years until his retirement in 2007. Thereafter he filled a company secretarial and compliance role with Investec Property until the end of 2011. He was a non-executive director of Arrowhead.
Name	Ayesha Rehman
Age	71
Business address	2nd Floor, 158 Jan Smuts Building, 9 Walters Street, Rosebank, Johannesburg, 2196
Qualifications	Diploma in Financial Accounting, Certificate in Management, Certificate in Project Management, Certificate in Property Development
Position	Lead independent non-executive director
Experience	Ayesha was the Chief Financial Officer of the Johannesburg Housing Company until her retirement in 2015, and prior to that she was an accountant at the Joint Education Trust.

Name	Clifford Laurence Abrams
Age	52
Business address	138 Athol Street, Highlands North, Johannesburg
Qualifications	BCom, BAcc, CA(SA), Registered auditor
Position	Independent non-executive director
Experience	Clifford is a Chartered Accountant and has been in private practice for the past 17 years. He is proprietor of Clifford Abrams and Associates. He has held various positions in communal organisations and is Chairman of the Mizrahi Synagogue.
Name	Nindiphiwe Tetyana
Age	40
Business address	2nd Floor, 158 Jan Smuts Building, 9 Walters Street, Rosebank, Johannesburg, 2196
Qualifications	BCom, CA(SA)
Position	Independent non-executive director
Experience	Nindiphiwe has more than 17 years' experience in finance and auditing with expertise across a range of industries. She currently serves as the Financial Director of Lesedi and Letsatsi Power Projects. Prior to joining Lesedi and Letsatsi Power Projects in 2014, Nindiphiwe was a senior audit manager at Ernst and Young, Fund Chief Financial Officer at Brait and financial analyst at ABSA Retail Banking. She began her auditing and finance career at SNG Grant Thornton.
Name	Taffy Monty Adler – As per paragraph 2.1.2 above.

All of the above Indluplace directors are South African nationals.

2.5 Asset management

- 2.5.1 Following the implementation of the Fairvest Manco Internalisation, New Star became a wholly-owned subsidiary of Fairvest and the services previously performed by New Star is now performed internally within Fairvest.
- 2.5.2 Following the implementation of the Scheme, in terms of which Fairvest will become a wholly owned subsidiary of Arrowhead, the property portfolio of the Combined Group will continue to be internally managed by a strongly incentivised, dedicated and proven executive management team, further details of which are set out in paragraphs 2.1 and 2.2 above.

2.6 Property management

- 2.6.1 Following the implementation of the Scheme, the day-to-day management of the Arrowhead property portfolio will continue to be outsourced to JHI on market-related terms in terms of the relevant property management agreements.
- 2.6.2 Following the implementation of the Scheme, the day-to-day management of the Fairvest property portfolio will continue to be outsourced to the property managers detailed in **Annexure 6** on market-related terms and in terms of the relevant property management agreements.
- 2.6.3 Details of the property managers outlined above, and the function they perform set out in **Annexure 6**.
- 2.6.4 The property management agreements will lie open for inspection in accordance with paragraph 9 of **Section 4**.

2.7 Name and business address of Company Secretary

- 2.7.1 Vicki Turner will be appointed as Company Secretary of the Combined Group with effect from the Scheme Operative Date.
- 2.7.2 The business addresses of the Company Secretary is set out in the Corporate Information section.
- 2.7.3 The Arrowhead Board and the Fairvest Board have considered the competence, qualifications and experience of the Company Secretary and she is deemed fit to be appointed in the role as Company Secretary of the Combined Group.

2.7.4 The Company Secretary has the following qualifications: BA, LLB, LLM and PG Dip Cyber Law.

2.8 Name and business addresses of the auditors, attorneys and bankers

The names and business addresses of the auditors, attorney and bankers to Arrowhead are set out in the Corporate Information section.

3. HISTORY, STATE OF AFFAIRS AND PROSPECTS

3.1 History, state of affairs and nature of business of the Arrowhead Group

3.1.1 The Company, originally known as Synergy, was incorporated as a public company on 13 November 2007 as a registered property loan stock company and listed on the Main Board of the JSE under the "Real Estate–Real Estate Holdings and Development" sector on 14 December 2011. On listing, Synergy owned a portfolio of properties valued at R280 million. With effect from 1 July 2013, Synergy converted from a property loan stock company to a REIT and accordingly changed its sector classification to the "Retail REITs" sector on the JSE.

3.1.2 Synergy operated as a specialist retail property fund with a specific focus on medium-sized community and small regional shopping centres in high-growth nodes, serving South Africa's high-growth, lower-LSM retail sector. The Company's portfolio emphasis was on commuter-oriented centres located in township and rural areas.

3.1.3 On 27 July 2015, the authorised capital of Synergy converted from a linked unit capital structure to an all-share capital structure. The share capital of Synergy comprised "A" shares and "B" shares. The "A" shares have a preferential claim to earnings with capped growth, while the "B" shares receive the balance of the Company's earnings.

3.1.4 2015 brought about considerable changes to the Company and its business, with Vukile acquiring 65.0% of Synergy in the period to February of that year. This was followed in May 2015 by Vukile's acquisition of Synergy's property and asset manager, Capital Land Asset Management (subsequently renamed Vukile Asset Management ("VAM") and thereafter renamed "Gemgrow Asset Management"). In terms of the VAM asset management agreement, Vukile assumed effective day-to-day management of Synergy's portfolio of properties, with the property management function externally managed.

3.1.5 With effect from 1 October 2016, following the implementation of multiple simultaneous transactions, the Company changed its name from "Synergy Income Fund Limited" to "Gemgrow Properties Limited" and re-positioned itself as a specialist high-yielding, high-growth diversified REIT with a portfolio comprising retail, office and industrial assets. Gemgrow owned 163 properties across South Africa's nine provinces valued in excess of R5.6 billion as at 31 March 2019.

3.1.6 With effect from 9 October 2019, Gemgrow concluded a merger with Old Arrowhead, in terms of which Gemgrow acquired 100% of the issued shares of Old Arrowhead via a scheme of arrangement in terms of section 114(1) of the Companies Act, and in terms of which Gemgrow changed its name from "Gemgrow Properties Limited" to "Arrowhead Properties Limited".

3.2 General description of the business, strategy and prospects of the Arrowhead Group

3.2.1 Arrowhead is a diversified South African REIT listed on the JSE's Main Board focused on creating long-term shareholder value. The Company holds a diverse portfolio of office, retail and industrial properties. As at 30 September 2021, Arrowhead owned a direct property portfolio with an aggregate value of R8.3 billion comprising approximately 106 properties with a combined GLA of 941 691m² spread across all nine provinces of South Africa. Retail assets accounted for 50% of income, office for 35% and industrial assets the remaining 15% respectively. By GLA the portfolio comprises 35% retail, 33% office and 32% industrial properties. As at 30 September 2021, Arrowhead held a 61% interest in Indluplace and an 8.6% interest in Dipula Income Fund Limited.

3.2.2 Arrowhead's strategic focus has shifted from sales to (i) strengthening its portfolio by retaining and enhancing those properties that meet its investment criteria; and (ii) enhancing the returns on those properties through a tenant centric approach that puts tenants at the heart of all property management decisions.

3.2.3 ***Prospects of the Arrowhead Group***

Arrowhead has made significant progress over the past few years in delivering on its strategy of stabilising its portfolio and strengthening its balance sheet and the Company believes it is now well positioned to deliver sustainable income over the medium to long-term. The trade off in taking and implementing the decision to strengthen the balance sheet is that, in the current market, disposals typically dilute distributable income, and the full impact of this dilution will be felt in the upcoming financial year to end September 2022. This dilution is likely to be exacerbated by a number of factors including anticipated negative rental reversions in what remains a very difficult office market and a likely reduction in distributions from Dipula (as a consequence of either their recently announced proposed capital restructuring or the potential changes to the distribution policy highlighted in their recent results announcement).

3.2.4 ***Arrowhead Group structure***

The group structure of Arrowhead prior to and post the implementation of the Transaction is set out in **Annexure 1**.

3.2.5 ***Financial year-end***

Arrowhead's financial year-end is 30 September and will remain as such post implementation of the Transaction.

3.2.6 ***Major Subsidiaries***

- 3.2.6.1 Arrowhead currently has, and will have, post the implementation of the Transaction, one Major Subsidiary as defined in the Listings Requirements, being Indluplace.
- 3.2.6.2 Indluplace is a proud South African property investor, owning a portfolio primarily focused on the affordable end of the rental residential market. The company was listed on the Main Board of the JSE in June 2015 and currently owns a portfolio of 9 199 residential units and 16 058 m² of associated retail space. The portfolio is valued at approximately R3,5 billion as at 30 September 2021, with properties situated mainly in Gauteng.
- 3.2.6.3 The name, registration number, place of incorporation, date of incorporation, nature of business, issued share capital and date of becoming a Subsidiary for each of the Subsidiaries of the Combined Group are set out in **Annexure 2**.
- 3.2.6.4 Other than as disclosed in **Annexure 16**, there are no material inter-company financial and other transactions.

3.3 **History, state of affairs and nature of business of the Fairvest Group**

- 3.3.1 Fairvest was incorporated on 17 March 1998 under the name Basfour 429 Proprietary Limited. The company converted to a public company and changed its name to Fairvest Property Holdings Limited on 13 December 2001. Fairvest is listed on the Main Board of the JSE in the "Real estate and Development" sector of the JSE and has been classified as a REIT since 1 July 2013. On 31 October 2019, Fairvest listed on the A2X as a secondary listing.
- 3.3.2 To align its capital structure with the REIT standard in South Africa and to comply with Listings Requirements for REITs, Fairvest converted its linked unit capital structure into an all-share capital structure during June 2015.
- 3.3.3 Fairvest's invests primarily in retail assets weighted toward non-metropolitan and rural shopping centres, as well as convenience and community shopping centres servicing the lower LSM market, in high-growth nodes, close to commuter networks.
- 3.3.4 Fairvest maintains a predominately retail portfolio across South Africa, with the four largest provinces, Gauteng, KwaZulu-Natal, Western Cape and Free State contributing 75.4% of the revenue. The properties are predominately blue-chip tenanted, grocery-anchored shopping centres. The high national tenant component of 73.1% of the portfolio provides shareholders with a low-risk investment profile with national food retailers occupying 35.3% of the portfolio in terms of GLA.
- 3.3.5 To date, yield accretive acquisitions have been part of Fairvest's strategy with a focus on quality retail assets with sustainable income streams in order to extract maximum value, whilst disposals have been

in line with the company's focus on value extraction and maintaining a focus on retail assets in favour of non-metropolitan areas and the lower LSM market.

- 3.3.6 During the nationwide lockdown due to the COVID-19 pandemic, Fairvest's strategy was to focus on its cash flow planning and liquidity management, whilst finding sustainable solutions for tenants who were adversely impacted by COVID-19. Fairvest remained cash flow positive throughout the lockdown period and continues to generate positive cash flows. Fairvest was able to fund all operational expenditure and interest payments from cash flows without having to utilise undrawn debt facilities.
- 3.3.7 During May 2021, Fairvest concluded the Fairvest Acquisition Agreements, further details of which are contained in **Annexure 9**. As further detailed in **Section 2**, paragraph 1.1, the Transaction is intended to be undertaken as an alternative to the Fairvest Acquisition, however if the Transaction does not succeed for any reason, the Fairvest Acquisition will be implemented.
- 3.3.8 The Fairvest Board approved and declared a final gross dividend of 11.473 cents per Fairvest Share for the year ended 30 June 2021, which was paid to Fairvest Shareholders on Friday, 11 October 2021, from income.
- 3.3.9 Fairvest does not have any Major Subsidiaries as defined in the Listings Requirements.
- 3.3.10 As at the Last Practicable Date, Fairvest does not have a controlling shareholder and has not had a controlling shareholder in the past five years. Post implementation of the Transaction, Arrowhead will become the controlling shareholder of Fairvest.

3.4 General description of the business of the Fairvest Group

Fairvest is a South African REIT listed on the JSE's Main Board and the A2X with a focus on retail assets weighted toward non-metropolitan and rural shopping centres, as well as convenience and community shopping centres servicing the lower LSM market, in high-growth nodes, close to commuter networks. It has a property portfolio of 43 properties across South Africa, with 250 896m² of GLA and valued at R3.44 billion. The portfolio is predominantly focused in the retail sector (c. 95%), with selective exposure to office properties (c.5%) by both rentable area and income. Fairvest is well diversified across the main provinces of South Africa, with a regional income split of KwaZulu-Natal (21.9%), Western Cape (18.9%), Gauteng (23.1%), Free State (11.8%), Northern Cape (8.7%), Limpopo (4.7%), Eastern Cape (8.5%) and Mpumalanga (2.4%).

3.5 Prospects of the Fairvest Group

The uncertain global macro-outlook and the uncertainty around the lasting impact of the COVID-19 pandemic on the South African economy, coupled with record local unemployment, will likely result in muted economic growth in the short-to-medium term. The vaccine rollout in South Africa has gained traction over the past few months, however further waves of infections could continue, with trading restrictions for certain tenants being a possibility. Fairvest however remains well positioned, with a clearly focused strategy of mainly investing in grocery anchored assets, servicing non-metropolitan and lower-LSM markets. These assets proved more resilient during the COVID-19 pandemic with the recovery being quicker than anticipated, without significant increases in vacancies.

3.6 Strategy and prospects of the Combined Group

- 3.6.1 The Combined Group's investment strategy is to create a portfolio of significant critical mass predominately comprising convenience, community, and regional shopping centres, as well as stand-alone retail stores that service the lower LSM markets.
- 3.6.2 Assets within this sub-sector, managed by an experienced team, have proven to be defensive during poor macroeconomic conditions and have a long-term positive growth outlook.
- 3.6.3 In order to achieve its strategic objectives, the Combined Group, within the constraints of disciplined, conservative financial management will:
 - 3.6.3.1 continue to recycle capital generated from sales of both non-core assets and mature core assets into acquisitions of assets within its specialist sub-sector; and
 - 3.6.3.2 explore avenues to create greater scale, as well as improved liquidity of its shares, including by M&A activity in order to drive consolidation within the South African REIT sector, which may increase the holding of non-core assets pending restructuring and disposals.

4. CORPORATE GOVERNANCE

- 4.1 Given that the Transaction is Fairvest-led, and that the proposed executive directors, the majority of the proposed non-executive directors and the majority of the members of the board committees of the Combined Group will comprise existing Fairvest directors, the corporate governance report as contained in the integrated annual report of Fairvest in respect of the year ended 30 June 2021 forms the basis of the corporate governance statement of the Combined Group post implementation of the Transaction.
- 4.2 Should the Transaction be successful, updates or amendments, if any, to the corporate governance statement in respect of the Combined Group will be contained in the integrated annual report of the Combined Group in respect of the year ending 30 September 2022.
- 4.3 Extracts of the Combined Group's corporate governance statement is contained in **Annexure 19**.

5. MATERIAL CHANGES

Regarding Arrowhead, save for the Transaction, the Gemgrow Arrowhead Merger and the Synergy Transaction:

- 5.1 there have been no material changes to the financial or trading position of the Arrowhead Group since Arrowhead published its reviewed condensed consolidated results for the year ended 30 September 2021 and the Last Practicable Date;
- 5.2 there has been no change in the business or trading objects of Arrowhead during the past five years;
- 5.3 there has been no major change in the nature of property, plant and equipment and in the policy regarding the use thereof;
- 5.4 there has been no material change in the nature of the business of Arrowhead; and
- 5.5 there has been no material fact or circumstance that has occurred between 30 September 2021, being the last financial year-end and the Last Practicable Date, other than as disclosed in these Revised Listing Particulars.

Regarding Fairvest, save for the Transaction, Fairvest Manco Internalisation and the impact that the recent civil unrest and protest action during July 2021 has had on Fairvest's portfolio as further detailed in the Fairvest Circular:

- 5.6 there have been no material changes to the financial or trading position of the Fairvest Group since the published audited results for the year ended 30 June 2021 and the Last Practicable Date;
- 5.7 there has been no change in the business or trading objects of Fairvest during the past five years;
- 5.8 there has been no material change in the nature of the business of Fairvest; and
- 5.9 there has been no material fact or circumstance that has occurred between 30 June 2021, being the financial year ended, and the Last Practicable Date, other than as disclosed in these Revised Listing Particulars.

6. PROPERTY PORTFOLIO OF THE COMBINED GROUP

Set out below is a summary of the property portfolio and listed property securities of the Combined Group, post implementation of the Transaction.

6.1 Analysis of the Combined Group's property portfolio

An analysis of the Combined Group's property portfolio as at 30 September 2021 (in respect of the Arrowhead property portfolio) and as at 30 June 2021 (in respect of the Fairvest property portfolio) in relation to the geographic, sectoral and tenant spread as well as the vacancy and lease expiry profile is provided in the tables below:

6.1.1 Geographic profile

	Based on GLA (%)	Based on revenue (%)
Gauteng	51	36
Free State	3	4
North West	4	6
Mpumalanga	1	2
Limpopo	7	6

	Based on GLA (%)	Based on revenue (%)
Eastern Cape	7	10
KwaZulu-Natal	11	13
Western Cape	13	19
Northern Cape	3	4
Total	100	100

6.1.2 *Sectoral profile*

	Based on GLA (%)	Based on revenue (%)	Vacancy by GLA (%)	Weighted average rental (R/m ²)	Weighted average rental escalation (%)
Retail	48	64	4.7	133	7.0
Office	27	25	14.6	120	6.5
Industrial	25	11	4.5	43	7.1
Portfolio	100	100	7.4	107	6.9

6.1.3 *Tenant profile*

	%
A Grade	52
B Grade	12
C Grade	36
Total	100

For the table above, the following key is applicable:

- A. Large national tenants, large listed tenants, government and major franchisees.
- B. National tenants, listed tenants, franchisees, medium to large professional firms.
- C. Other comprising of smaller SME's and startup companies' tenants.

6.1.4 *Lease expiry profile*

By GLA (%)	Portfolio	Office	Retail	Industrial
Vacant	7	15	5	4
Monthly	5	4	6	4
2022	22	27	20	22
2023	24	26	22	26
2024	18	14	14	27
2025	8	6	11	5
2026 and beyond	16	8	22	12
Total	100	100	100	100
By gross rental (%)				
Vacant	0	0	0	0
Monthly	4	4	4	4
2022	25	31	22	24
2023	26	34	23	29
2024	18	17	17	26
2025	10	7	12	4
2026 and beyond	17	7	22	13
Total	100	100	100	100

6.2 Property yield

The average annualised property yield for the Combined Group's property portfolio is 9.5%.

6.3 Valuation of the Combined Group's direct property portfolio

6.3.1 **Annexure 8** contains the property schedules and valuations in relation to each and every individual property within the Arrowhead Group's direct property portfolio, as extracted from Arrowhead's reviewed condensed consolidated results in respect of the year ended 30 September 2021.

6.3.2 The Fairvest Group's direct property portfolio was valued by Broll, De Leeuw Valuers and DPP, independent external professional property valuers registered in terms of Section 19 of the Property Valuers Professional Act (Act No. 47 of 2000). Detailed valuation reports have been prepared in respect of each of the properties within the Fairvest Group's direct property portfolio and are available for inspection as per paragraph 9 of **Section 4**. A summary of the detailed valuation reports, including property schedules and valuations in relation to each and every individual property within the Fairvest Group's direct property portfolio has been included in **Annexure 7**.

6.3.3 The Arrowhead Group's direct property portfolio was valued at R8.3 billion as at 30 September 2021, and the aggregate valuations prepared by the Independent Property Valuers has valued the entire Fairvest Group's direct property portfolio at R3.4 billion, resulting in a combined value of R11.7 billion in respect of the Combined Group's property portfolio:

	June 2021 (R'000)	September 2021 (R'000)	Total (R'000)
Arrowhead	–	8 288 255	8 288 255
Broll valuation	366 900	404 800	771 700
DDP valuation	327 900	933 900	1 261 800
De Leeuw valuation	537 000	868 300	1 405 300
Total			11 727 055

6.4 Listed property securities

In addition, the Combined Group will have interests in the following listed property securities as at the Last Practicable Date:

	Number of shares	Market value (R'000)	% held
Indluplace ordinary shares	191 581 362	639 882	61.0
Dipula B shares	45 581 239	222 436	8.6

6.5 Material commitments, lease payments and contingent liabilities

Neither Arrowhead nor Fairvest have any estimated material commitments, lease payments or contingent liabilities as at the Last Practicable Date.

7. SHARE CAPITAL OF THE COMBINED GROUP

7.1 The authorised and issued share capital of Arrowhead as at the Last Practicable Date, before the Transaction is set out below:

	R'000
Authorised share capital	
1 000 000 000 AHA Shares	–
2 000 000 000 AHB Shares	–
Issued share capital	
62 718 658 AHA Shares	556 731
951 422 029 AHB Shares	6 604 137
Stated capital	7 160 868
655 032 AHB Shares held in treasury	

- 7.2 The authorised and issued share capital of Arrowhead after the Transaction, in other words, of the Combined Group is set out below:

	R'000
Authorised share capital	
1 000 000 000 AHA Shares	–
2 000 000 000 AHB Shares	–
Issued share capital	
62 781 658 AHA Shares	556 731
1 496 467 154 AHB Shares	4 672 230
Stated capital	5 228 961
10 973 096 AHB Shares held in treasury ¹	

Note:

1. Calculated as 655 032 treasury shares plus 10 318 064 AHB Shares held by Fairvest as at the Last Practicable Date, which will become treasury shares post implementation of the Transaction.

- 7.3 The authorised and issued share capital of Fairvest as at the Last Practicable Date is set out below:

	R'000
Authorised share capital	
6 000 000 000 Fairvest Shares	–
Issued share capital	
1 046 421 089 Fairvest Shares	788 651
Stated capital	788 651
38 086 599 Fairvest Shares held in treasury	–

- 7.4 **Annexure 15** contains the following salient information relating to the authorised and issued share capital of Arrowhead and Fairvest:

- 7.4.1 authorisations;
- 7.4.2 voting rights;
- 7.4.3 rights attaching to shares;
- 7.4.4 alterations to authorised share capital during the preceding three years;
- 7.4.5 options and preferential rights in respect of shares; and
- 7.4.6 issues and repurchases of shares in the preceding three years.

7.5 **Issues of Shares**

- 7.5.1 There have been no issues or offers of AHA Shares and/or AHB Shares or of shares in Major Subsidiaries of Arrowhead in the three years preceding the Last Practicable Date other than as set out in **Annexure 15**.
- 7.5.2 There have been no issues or offers of Fairvest Shares or of shares in Major Subsidiaries of Fairvest in the three years preceding the Last Practicable Date other than as set out in **Annexure 15**.

7.6 Major and controlling Arrowhead Shareholders

- 7.6.1 Set out below are the names of Arrowhead Shareholders, other than the directors of Arrowhead, who, directly or indirectly, are beneficially interested in 5% or more of the issued AHA Shares as at the Last Practicable Date:

AHA Shareholder	Direct beneficial AHA Shares held	Indirect beneficial AHA Shares held	Total AHA Shares held	% of total AHA Shares ¹
36One Asset Management Proprietary Limited	7 809 753	2 092 626	9 902 379	15.79
Catalyst Fund Managers SA Proprietary Limited	–	5 669 691	5 669 691	9.04
Old Mutual Group	–	3 222 388	3 222 388	5.14
Total	7 809 753	10 984 705	18 794 458	29.97

Note:

1. Based on 62 718 658 AHA Shares in issue (net of treasury shares) as at the Last Practicable Date.

- 7.6.2 Set out below are the names of Arrowhead Shareholders, other than the directors of Arrowhead, who, directly or indirectly, are beneficially interested in 5% or more of the issued AHB Shares as at the Last Practicable Date:

AHB Shareholder	Direct beneficial AHB Shares held	Indirect beneficial AHB Shares held	Total AHB Shares held	% of total AHB Shares ¹
36One Asset Management Proprietary Limited	90 341 882	49 475 538	139 817 420	14.71
Vukile Property Fund Limited	114 438 564	–	114 438 564	12.04
Catalyst Fund Managers SA Proprietary Limited	–	94 456 571	94 456 571	9.93
Visio Fund Management Proprietary Limited	–	81 817 528	81 817 528	8.61
Old Mutual Group	–	79 050 216	79 050 216	8.31
Total	204 780 446	304 799 853	509 580 299	53.60

Note:

1. Based on 950 766 997 AHB Shares in issue (calculated as 951 422 029 less 655 032 treasury shares) as at the Last Practicable Date.

- 7.6.3 There will be no change in the holdings of AHA Shareholders, other than the directors of Arrowhead, who, directly or indirectly, are expected to be beneficially interested in 5% or more of the issued AHA Shares post the implementation of the Transaction.

- 7.6.4 Set out below are the names of Arrowhead Shareholders, other than the directors of Arrowhead, who, directly or indirectly, are expected to be beneficially interested in 5% or more of the issued AHB Shares post the implementation of the Transaction:

AHB Shareholder	Direct beneficial AHB Shares held	Indirect beneficial AHB Shares held	Total AHB Shares held	% of total AHB Shares ¹
Vukile Property Fund Limited	190 323 856	–	190 323 856	12.81
36One Asset Management Proprietary Limited	92 847 902	50 491 669	143 339 571	9.65
Catalyst Fund Managers SA Proprietary Limited	–	114 324 069	114 324 069	7.70
Visio Fund Management Proprietary Limited	–	109 135 405	109 135 405	7.35

AHB Shareholder	Direct beneficial AHB Shares held	Indirect beneficial AHB Shares held	Total AHB Shares held	% of total AHB Shares ¹
Counterpoint Asset Management Proprietary Limited	–	85 274 620	85 274 620	5.74
Old Mutual Group	–	79 050 216	79 050 216	5.32
Total	283 171 758	438 275 979	721 447 737	48.57

Note:

1. Based on 1 485 494 058 AHB Shares in issue (calculated as 1 496 467 154 less 655 032 treasury shares and 10 318 064 AHB Shares acquired by Fairvest which will become treasury shares) post implementation of the Transaction.

7.6.5 Save as set out below, there has been no material change in controlling Arrowhead Shareholders over the last five years:

7.6.5.1 Prior implementation of the Synergy Transaction, which was undertaken in 2016, Vukile Property Fund Limited was a controlling shareholder in Synergy, holding 61.96% of its issued share capital at the time. Post implementation of the Synergy Transaction, Old Arrowhead became a controlling shareholder in Synergy, holding 55.22% of its issued share capital, and which resulted in Synergy changing its name from "Synergy Income Fund Limited" to "Gemgrow Properties Limited".

7.6.5.2 Prior to the Gemgrow Arrowhead Merger which was undertaken during 2019, Old Arrowhead held 61.5% of the total issued share capital of Gemgrow. In terms of the Gemgrow Arrowhead Merger, Gemgrow acquired, by way of scheme of arrangement in terms of section 114(1) of the Companies Act, the entire issued share capital of Old Arrowhead but as at the Last Practicable Date, excluding 0.3% of the issued shares in Old Arrowhead still held by dissenting shareholders who exercise appraisal rights in terms of section 164 of the Companies Act. Post the Gemgrow Arrowhead Merger, Old Arrowhead became a 99.7% held subsidiary of Gemgrow, and which resulted in Old Arrowhead's name being changed from "Arrowhead Properties Limited" to "Arrowgem Limited". The Gemgrow Arrowhead Merger further resulted in Gemgrow no longer having a controlling shareholder, and in Gemgrow changing its name from "Gemgrow Properties Limited" to "Arrowhead Properties Limited".

7.6.6 The Transaction will not result in the Combined Group having a controlling shareholder.

8. OPTIONS OR PREFERENTIAL RIGHTS IN RESPECT OF ARROWHEAD SHARES

Other than as disclosed in **Annexure 3**, there are no options or preferential rights to subscribe for Arrowhead Shares which are capable of being exercised at the Last Practicable Date.

9. COMMISSIONS PAID OR PAYABLE

In relation to Arrowhead:

- 9.1 No amounts have been paid, or accrued as payable, within the three years preceding the Last Practicable Date as commission to any person, including commission paid or payable to any sub-underwriter or a promoter or director or officer of the Arrowhead Group, for subscribing or agreeing to subscribe, or procuring, or agreeing to procure, subscriptions for any Arrowhead securities.
- 9.2 No commissions, discounts or brokerages have been paid nor have any other special terms been granted in connection with the issue or sale of any Arrowhead Shares in the capital of the Company in the three years preceding the Last Practicable date.
- 9.3 The Arrowhead Group is not subject to any royalty agreements and no royalties are payable by the Arrowhead Group.
- 9.4 Save for the property management agreements referred to in paragraph 2.6, **Section 1**, the Arrowhead Group is not subject to any other management agreements.

In relation to Fairvest:

- 9.5 No amounts have been paid, or accrued as payable, within the three years preceding the Last Practicable Date as commission to any person, including commission paid or payable to any sub-underwriter or a promoter or

director or officer of the Fairvest Group, for subscribing or agreeing to subscribe, or procuring, or agreeing to procure, subscriptions for any Fairvest securities.

- 9.6 No commissions, discounts or brokerages have been paid nor have any other special terms been granted in connection with the issue or sale of any Fairvest Shares in the capital of the Fairvest in the three years preceding the Last Practicable date.
- 9.7 The Fairvest Group is not subject to any royalty agreements and no royalties are payable by the Fairvest Group.
- 9.8 Save for the property management agreements referred to in paragraph 2.6, **Section 1**, the Fairvest Group is not subject to any other management agreements.

10. MATERIAL CONTRACTS

- 10.1 In respect of Arrowhead, save for:
 - 10.1.1 the Implementation Agreement, the salient features of which are set out in **Section 2**, paragraph 3;
 - 10.1.2 the undertakings of support received from Arrowhead and Fairvest Shareholders in relation to the Transaction referred to in **Section 2** paragraph 3.7;
 - 10.1.3 the acquisitions and disposals of assets by Arrowhead, details of which are set out in **Annexure 9**; and
 - 10.1.4 the agreements in respect of material borrowings and loans receivable detailed in **Annexure 16**; and
- 10.2 In respect of Fairvest, save for:
 - 10.2.1 the Implementation Agreement, the salient features of which are set out in **Section 2**, paragraph 3;
 - 10.2.2 the undertakings of support received from Arrowhead and Fairvest Shareholders in relation to the Transaction referred to in **Section 2** paragraph 3.7;
 - 10.2.3 the Fairvest Manco Internalisation Agreement, details of which are set out in **Annexure 9**;
 - 10.2.4 the Fairvest Acquisition Agreements;
 - 10.2.5 the acquisitions and disposals of assets by Fairvest, details of which are set out in **Annexure 9**; and
 - 10.2.6 the agreements in respect of material borrowings and loans receivable detailed in **Annexure 16**.
- 10.3 the Combined Group has not entered into any material contract, being restrictive funding arrangements and/or contracts entered into otherwise than in the ordinary course of business, within the two years prior to the Last Practicable Date or at any time containing an obligation or settlement that is material to the Combined Group at the Last Practicable Date.
- 10.4 In respect of the property management agreements referred to in **Annexure 6** and the loan agreements as set out in **Annexure 16** are contracts that are entered into in the ordinary course of business and are material to the Combined Group.

11. INTERESTS OF DIRECTORS AND PROMOTERS

Details of the directors' and promoters' interests in Arrowhead are set out in **Annexure 3**.

12. MATERIAL BORROWINGS AND LOANS RECEIVABLE

Save as set out in **Annexure 16**, which contains details of material borrowings advanced to the Arrowhead Group and the Fairvest Group, material loans receivable by the Arrowhead Group and the Fairvest Group, and loans granted by the Arrowhead Group and the Fairvest Group for the benefit of a director, manager or Associate of any director or manager of Arrowhead or Fairvest:

- 12.1 none of the material borrowings listed in **Annexure 16** have any redemption or conversion rights attaching to them;
- 12.2 the Combined Group has no loan capital outstanding;
- 12.3 the Combined Group has no debentures outstanding;
- 12.4 the Combined Group has not entered into any other material inter-company loans;
- 12.5 as at the Last Practicable date, Arrowhead and Fairvest have not undertaken any off-balance sheet financing;

- 12.6 Arrowhead and Fairvest have not entered into any other loan arrangements; and
- 12.7 save for as set out above and as at the Last Practicable Date, no loans have been made or security furnished by the Arrowhead Group or the Fairvest Group for the benefit of any director, manager or associate of any director or manager of Arrowhead or Fairvest.

13. SHARES ISSUED OR TO BE ISSUED OTHER THAN FOR CASH

There are no securities that were issued or agreed to be issued by Arrowhead or Fairvest, or a Subsidiary of Arrowhead or Fairvest, within the three years immediately before the Last Practicable Date, to any person other than for cash other than as set out in **Annexure 15**.

14. PROPERTY AND BUSINESS UNDERTAKINGS

14.1 Properties and business undertakings acquired or to be acquired

- 14.1.1 Details of material immovable properties, fixed assets and/or business undertakings acquired by the Arrowhead Group and the Fairvest Group within the three years preceding the Last Practicable Date are set out in **Annexure 9**.
- 14.1.2 Save as set out in **Annexure 9** and in respect of the Transaction, no material immovable properties, fixed assets and/or business undertakings are in the process of being or are proposed to be acquired by the Arrowhead Group or the Fairvest Group (or which the either group has an option to acquire).

14.2 Properties and business undertakings disposed of or to be disposed of

- 14.2.1 Details of material immovable properties, fixed assets and/or business undertakings that have been disposed of by the Arrowhead Group and the Fairvest Group within the three years preceding the Last Practicable Date, are set out in **Annexure 9**.
- 14.2.2 Save as set out in **Annexure 9**, no material immovable properties, fixed assets and/or business undertakings have been disposed of by the Arrowhead Group or the Fairvest Group in the three years preceding the Last Practicable Date.

15. AMOUNTS PAID OR PAYABLE TO PROMOTERS

No cash or securities have been paid or any benefit given by either Arrowhead or Fairvest within the three years preceding these Revised Listing Particulars is proposed to be paid or given to any promoter of either company.

16. PRELIMINARY EXPENSES AND ISSUE EXPENSES

- 16.1 The preliminary expenses and issue expenses (exclusive of VAT) incurred by the Arrowhead Group within 3 (three) years prior to the Last Practicable Date or that are expected to be incurred are presented in the table below:

Arrowhead	Payable to	Rand ('000)
Joint Corporate Advisor and Transaction Sponsor fees	Nedbank	9 500
Strategic Advisor fees	Ferryman Capital Partners	9 000
Competition Commission filing and legal fees	CDH	1 937
Independent Reporting Accountants fees	BDO	1 162
Independent Property Valuers fees	Broll	127
Independent Property Valuers fees	De Leeuw Valuers	158
Independent Property Valuers fees	DDP	222
Competition Commission filing fee	Competition Commission	275
JSE documentation and rulings	JSE	146
JSE listing fee	JSE	478
Printing and related costs	INCE	429
Sundry costs	–	100
Total		23 534

- 16.2 In respect of the Gemgrow Arrowhead Merger, the Company incurred expenses of R25.89 million (exclusive of VAT).
- 16.3 The following cumulative preliminary and issue expenses (exclusive of VAT) have already been, or are expected to be payable by Fairvest in connection with the Transaction and the Fairvest Acquisition is presented in the table below:

Fairvest	Payable to	Rand ('000)
Corporate adviser fees	Java Capital Proprietary Limited	28 700
Transaction sponsor fees	Java Capital Trustees and Sponsors Proprietary Limited	2 550
Competition Commission filing and legal fees	Werksmans Incorporated	2 000
Independent Reporting Accountants fees	BDO	660
Independent expert fees in respect of the Scheme	Mazars Corporate Finance Proprietary Limited	1 100
TRP documentation fees	TRP	200
JSE documentation fees	JSE	150
Competition Commission filing fee	Competition Commission	275
Printing and other costs	INCE	220
Sundry costs	—	100
Total		35 955

17. PERCEIVED CONFLICTS OF INTEREST

In terms of paragraph IV of the Appendix to Schedule 16 contained in the Listings Requirements, a sponsor is required to disclose details of all matters that might reasonably be expected to impair its independence and objectivity in its professional dealings with Arrowhead:

- 17.1 Nedbank has been appointed as Arrowhead's Transaction Sponsor ("**Nedbank Sponsor**") in relation to the Transaction. Nedbank Sponsor's key responsibilities include the drafting of the Circular and these Revised Listing Particulars, obtaining the JSE's approval of the Circular and these Revised Listing Particulars and the release of related announcements.
- 17.2 Nedbank Sponsor confirms that acting in its capacity as Transaction Sponsor to Arrowhead in respect of the Transaction does not affect Nedbank Sponsor's independence to Arrowhead. Nedbank Sponsor does not have a vested interest in the successful implementation of the Transaction, other than the agreed fee charged for the preparation of the Circular, these Revised Listing Particulars and ancillary documentation. This fee is not impacted by the success or otherwise of the Transaction.
- 17.3 Nedbank Sponsor confirms that the following matters may be perceived to influence its independence in relation to its role as Transaction Sponsor to Arrowhead in connection with the Transaction: (i) Nedbank Sponsor's continuing obligations sub-business unit ("**Nedbank Continuing Obligations**") fulfils the role of the Company's ongoing JSE sponsor; (ii) Nedbank's Corporate Finance Advisory business unit ("**Nedbank Advisory**") has been appointed as Joint Corporate Advisor in respect of the Transaction and (iii) currently, Arrowhead has funding with Nedbank's Property Finance division ("**Nedbank Property Finance**"), which funding is immaterial in relation to Nedbank's total advances to clients.
- 17.4 The following procedures are in place in order to ensure Nedbank Sponsor exercises reasonable care and judgement to achieve independence and objectivity in its professional dealings in relation to Arrowhead: Nedbank Sponsor, Nedbank Continuing Obligations, Nedbank Advisory and Nedbank Property Finance are separate and distinct business units within Nedbank, and Nedbank, as a strictly regulated entity, has significant compliance procedures in place to ensure that the activities of Nedbank Sponsor, Nedbank Continuing Obligations, Nedbank Advisory and Nedbank Property Finance are monitored and that effective Chinese Walls are in place between these divisions.

SECTION 2 – INFORMATION ABOUT THE OFFERED SECURITIES

1. PURPOSE OF THE SCHEME

1.1 Introduction

- 1.1.1 In the Joint Firm Intention Announcement, Arrowhead and Fairvest Shareholders were referred to the cautionary announcements released by Arrowhead and Fairvest on SENS, the latest being on 9 September 2021 and 17 September 2021, respectively, and the SENS announcement released by Fairvest on 7 September 2021. In those announcements Fairvest and Arrowhead Shareholders were advised that:
- (i) at the general meeting of Fairvest Shareholders held on Tuesday, 7 September 2021, all the resolutions required to be passed by Fairvest Shareholders in order to authorise and approve, *inter alia*, (i) the Fairvest Acquisition and (ii) the Fairvest Manco Internalisation were passed by the requisite majority of Fairvest Shareholders; and
 - (ii) as an alternative to the Fairvest Acquisition, Arrowhead and Fairvest were engaging regarding the possibility of a single-step merger. In line with what was communicated in the Fairvest Circular, if Arrowhead and Fairvest agree on the terms of a merger, they would work together on the appropriate process to obtain the required approvals. However, a merger may succeed or fail and accordingly, Fairvest proceeded to seek Fairvest Shareholder approval for, *inter alia*, the Fairvest Acquisition but will only implement this transaction, once unconditional, if a merger does not succeed for any reason.
- 1.1.2 Although the Transaction remains Fairvest-led, the Parties have, for structural reasons, agreed that it would be preferable for Arrowhead to be the acquiror of Fairvest. Accordingly, in the Joint Firm Intention Announcement, Arrowhead and Fairvest Shareholders were advised that Fairvest and Arrowhead had concluded the Implementation Agreement, in terms of which Arrowhead has offered to acquire the Scheme Shares from Scheme Participants, to be effected by way of a Scheme, to be proposed by the Fairvest Board, on recommendation of the Fairvest Independent Board, to Fairvest Shareholders, and to which Arrowhead is a party.
- 1.1.3 As consideration for the Scheme Shares acquired in terms of the Scheme, Arrowhead shall issue to the Scheme Participants the Scheme Consideration Shares, which consideration has been calculated based on the Share Swap Ratio, which ratio is the inverse of the ratio that was previously agreed by Fairvest with certain of the AHB Shareholders in terms of the Fairvest Acquisition Agreements.
- 1.1.4 The Scheme is conditional upon the fulfilment or waiver (where appropriate) of the Conditions Precedent set out in paragraph 3.6 below. For the Scheme to be implemented, at least 75% of the votes cast by Fairvest Shareholders in respect of the Scheme Resolution need to be in favour of the Scheme.
- 1.1.5 Following the implementation of the Scheme, Fairvest will become a wholly owned subsidiary of Arrowhead and the listing of all the Fairvest Shares on the Main Board of the JSE and A2X will be terminated. Arrowhead shall remain listed on the Main Board of the JSE and subject to the necessary shareholder approval, will change its name to "Fairvest Limited".
- 1.1.6 In the event that the Transaction is not approved by Arrowhead and/or Fairvest Shareholders, or does not proceed for any other reason, Fairvest will proceed to implement the Fairvest Acquisition. Fairvest has, therefore, proceeded to obtain Fairvest Shareholder approval in respect of, *inter alia*, the Fairvest Acquisition including the authority to acquire further AHB Shares and AHA Shares as may be required in respect of the Mandatory Offer and Comparable Offer that would be triggered as a result of the implementation of the Fairvest Acquisition.

1.2 Rationale for the Transaction

- 1.2.1 The Transaction was agreed to between Fairvest and Arrowhead as an alternative to the implementation of the Fairvest Acquisition approved by Fairvest Shareholders on Tuesday, 7 September 2021.

- 1.2.2 The Transaction is expected to unlock value for shareholders of both Arrowhead and Fairvest and is an initiative that has been widely supported by shareholders of both companies. Investors generally favour larger REITs in which their investment is liquid. In addition, key shareholders have expressed confidence in Fairvest's ability to unlock value both operationally and through capital allocation within its traditional low-income retail focus as well as from other sub-classes of investment property.
- 1.2.3 The implementation of the Transaction will accelerate the new management team's access to the combined portfolio and brings forward the ability to realise operational cost savings, as well as cost savings attributable to a single listing, a single board of directors, and a reduced number of executives across the two businesses.
- 1.2.4 Both Fairvest and Arrowhead's property portfolios are exclusively focused within South Africa and the Combined Group will be the largest listed exclusively South African focused REIT.

2. TIMES AND DATES

	2021/2022
Date on which the offer contemplated in these Revised Listing Particulars will be open is the same date on which the Scheme Circular is posted to Fairvest Shareholders	19 November 2021
Date on which offer contemplated in these Revised Listing Particulars will close is the Scheme Consideration Record Date	28 January 2022
Listing date of the Scheme Consideration Shares	31 January 2022

3. PARTICULARS OF THE SCHEME

3.1 Scheme Consideration

Arrowhead shall issue the Scheme Consideration Shares to the Scheme Participants as consideration for each Scheme Share acquired.

3.2 Treatment of fractions

If the aggregate number of Scheme Consideration Shares to be issued to a Scheme Participant under the Scheme Consideration yields a decimal result, then the number of Scheme Consideration Shares to be issued to such Scheme Participant shall be rounded down to the nearest whole AHB Share, and the resultant fraction shall be cash settled. The quantum of the applicable cash payment in respect of the fractional entitlement will be determined with reference to the VWAP of an AHB Share as at the trading day immediately succeeding the Scheme Consideration Record Date, discounted by 10%.

3.3 Provisions of the Clean-out Distributions

3.3.1 The intention of the Parties is for the Scheme, should it become operative in accordance with its terms, to have commercial effect as from the Commercial Effective Date, to give commercial effect to this intention:

- (i) the Scheme Consideration Shares will be issued on the basis that Scheme Participants will not in respect of their Scheme Consideration Shares participate in the distributable income of Arrowhead in respect of Arrowhead's Pre-Transaction Financial Period, but will be entitled to participate in Arrowhead's distributable income for the period commencing on the Commercial Effective Date; and
- (ii) the Scheme Shares will be acquired by Arrowhead on the basis that Arrowhead will not participate in the distributable income of Fairvest in respect of Fairvest's Pre-Transaction Financial Period but will be entitled to participate in Fairvest's distributable income for the period commencing on the Commercial Effective Date.

3.3.2 Accordingly, in terms of the Implementation Agreement the Parties have agreed that each of Arrowhead and Fairvest shall effect a Clean-out Distribution by way of a cash distribution of all its distributable income for the applicable Pre-Transaction Financial Period.

- 3.3.3 The Clean-out Distributions shall be effected on the basis that:
- 3.3.3.1 the distributable income shall be determined in accordance with the accounting and financial reporting practices adopted for purposes of Fairvest's and Arrowhead's respective most recent published unaudited interim financial statements;
 - 3.3.3.2 the Transaction Costs shall have been funded out of the available capital of the applicable Party and not by reducing the distributable income for the applicable Pre-Transaction Financial Period, and any Transaction Costs incurred by any Party that would otherwise reduce the distributable income of that Party will accordingly be added back for the purposes of determining the amount of the applicable Clean-out Distribution;
 - 3.3.3.3 the Chief Financial Officer of each of Fairvest and Arrowhead duly mandated by their respective boards, shall consult each other fully and transparently regarding the detailed calculation of each proposed Clean-Out Distribution and shall endeavour in good faith, both undertaking to act reasonably, to ensure that each Clean-Out Distribution reflects principles and is calculated as far as practical on a like for like basis between Fairvest and Arrowhead such that the quantum of each Clean-Out Distribution are agreed; and
 - 3.3.3.4 the Scheme Operative Date shall not (unless otherwise agreed in writing between the Parties) occur until at least 1 Business Day following the later of the record date for participating in the Clean-out Distribution relating to each of Arrowhead and Fairvest; and
- 3.3.4 In relation to Arrowhead:
- 3.3.4.1 the amount of the Clean-out Distribution shall, as required by the MOI, in the first instance be applied as a distribution in respect of the AHA Shares with the balance being applied as a distribution in respect of the AHB Shares;
 - 3.3.4.2 there shall be excluded from the Arrowhead distributable income any income attributable to Indluplace or Dipula for any financial period which overlaps with the financial period to which the Arrowhead Clean-out Distribution relates (being, in the case of Indluplace the 12-month period ended 31 September 2021, and, in respect of Dipula, the 6-month period ended 31 August 2021) and which has not at the time of declaration of the Clean-out Distribution relating to Arrowhead been declared by Indluplace or Dipula, as applicable, as a distribution;
 - 3.3.4.3 there shall be included in Arrowhead's distributable income a pro rata portion of any distribution which has, before the date of declaration of Arrowhead's Clean-out Distribution, been declared (even if it may not yet have been received by Arrowhead) in respect of Arrowhead's shareholding in Indluplace and/or Dipula in respect of its distributable income for the applicable overlapping financial period;
 - 3.3.4.4 the respective payments made or to be made to the Departing Executives as contemplated in the Implementation Agreement and as set out in paragraph 5 of **Annexure 3** shall be paid out of cash reserves, and will not impact Arrowhead's Clean-out Distribution as provided for in the Implementation Agreement,
- and save for (i) the Clean-out Distributions (and, if applicable, any distribution made by Fairvest in the ordinary course of its business in respect of its financial period ended 30 June 2021), (ii) any distribution in respect of AHA Shares which is made in accordance with the terms of the AHA Shares and which relates to the financial period commencing on 1 October 2021, neither Fairvest nor Arrowhead shall be entitled to declare or effect any distribution until after the earlier of the Termination Date and the Scheme Consideration Settlement Date.
- 3.3.5 The dates and times applicable to the Clean-out Distribution relating to Fairvest have been included in the Scheme Circular.
- 3.3.6 As per Arrowhead's reviewed condensed consolidated results in respect of the year ended 30 September 2021, published on 24 November 2021, the Arrowhead Board has resolved to declare a combined gross interim and final dividend of 120.21124 cents per AHA Share and 47.71936 cents per AHB Share for the year ended 30 September 2021 ("**2021 Dividend**"), which will be paid to Arrowhead Shareholders on Monday, 20 December 2021. Due to the timing of Arrowhead's 30 September financial year end in relation to the Commercial Effective Date, which commenced on 1 October 2021, Arrowhead's Clean-out Distribution is effectively the 2021 Dividend declared and to be paid out in the ordinary course, in respect of the Company's financial year ended 30 September 2021.

3.4 Reconstitution of the Arrowhead Board and Arrowhead executive team

Upon the Scheme becoming operative, the Arrowhead Board shall immediately be reconstituted to comprise members of each of the existing Arrowhead Board and the existing Fairvest Board, as follows:

- 3.4.1 5 of the existing non-executive directors on the Fairvest Board shall have been elected or co-opted as directors of Arrowhead.
- 3.4.2 2 of the existing non-executive directors on the Arrowhead Board shall remain in office.
- 3.4.3 The executive members of the reconstituted Arrowhead Board will include:
 - 3.4.3.1 Mr. Darren Wilder (currently Chief Executive Officer of Fairvest), to be appointed as Chief Executive Officer of the Combined Group; and
 - 3.4.3.2 Mr Jacques Kriel (currently Chief Financial Officer of Fairvest), to be appointed as Chief Financial Officer of the Combined Group, or such other such other composition as may be agreed between the Parties in writing at any time before the Scheme Operative Date.
- 3.4.4 The Parties have undertaken that all members of the Arrowhead Board and the Fairvest Board who are not to serve as members of the reconstituted Arrowhead Board will resign from office as directors on the applicable board on and with effect from the Scheme Operative Date.
- 3.4.5 In terms of the Departing Executive Termination Agreements entered into between Mark Kaplan (currently Chief Executive Officer of Arrowhead) and Junaid Limalia (currently Chief Financial Officer of Arrowhead), each of Mark Kaplan and Junaid Limalia have agreed to resign from the Arrowhead Board with effect from the Departing Executive Termination Date, further details of which are set out in paragraph 5 of **Annexure 3**.
- 3.4.6 Arrowhead's existing Chief Operating Officer, Riaz Kader and Chief Investment Officer, Alon Kinkel will be retained in their current capacities in the Combined Group.
- 3.4.7 The details of the directors of the Combined Group, including a brief curriculum vitae of each such director is set out on in **Section 1**, paragraph 2.

3.5 Change of name

- 3.5.1 The Arrowhead Board proposes that the name of the Company be changed from "Arrowhead Properties Limited" to "Fairvest Limited" on and with effect from the Scheme Operative Date (or as soon as practicable thereafter). The JSE will implement such name change by:
 - (i) reclassifying the AHA Shares under share code "AHA", short name "AWAPropA" and ISIN ZAE000275491 to share code "FTA", short name "FTAPropA" and ISIN ZAE000304788; and
 - (ii) reclassifying the AHB Shares under share code "AHB", short name "AWAPropB" and ISIN ZAE000275509 to share code "FTB", short name "FTBPropB" and ISIN ZAE000304796.
- 3.5.2 Should the Transaction be implemented, Arrowhead Shareholders will have their accounts held at their CSDP or Broker updated to reflect the change of name.
- 3.5.3 For a period of not less than one year, the Company will reflect the former name "Arrowhead Properties Limited" on all Documents of Title beneath the new name of "Fairvest Limited". In addition, for a period of not less than a year, the Company will reflect the former name "Arrowhead Properties Limited" on all circulars beneath the new name "Fairvest Limited" in accordance with the Listings Requirements.
- 3.5.4 In terms of clause 7.4 of the MOI and section 16 of the Companies Act, a special resolution to approve the change of the Company's name as set out above will be put to Arrowhead Shareholders at the General Meeting.
- 3.5.5 The Company will retain all previous trading history following the change of name.

3.6 Conditions Precedent to the Scheme

Arrowhead Shareholders are advised that the unconditional approval by the relevant Competition Authorities, has been obtained in respect of the Transaction.

The implementation of the Scheme is subject to the fulfilment or waiver, as the case may be, of the following remaining Conditions Precedent:

- 3.6.1 by not later than 17:00 on 31 January 2022, the approval of the relevant Fairvest Shareholder resolutions required to approve and implement the Transaction by the requisite majority of Fairvest Shareholders is obtained at the Scheme Meeting;
- 3.6.2 by not later than 17:00 on 31 January 2022, the approval of the relevant Arrowhead Shareholder resolutions required to approve and implement the Transaction by the requisite majority of Arrowhead Shareholders is obtained the General Meeting;
- 3.6.3 by not later than 17:00 on 31 January 2022, to the extent required under section 115(3) of the Companies Act, approval by the Court of the implementation of the Scheme Resolution is obtained, and Fairvest not having treated the Scheme Resolution as a nullity (which it may not do unless agreed by both Fairvest and Arrowhead);
- 3.6.4 as at 12:00 on the Business Day immediately following the last day on which a Valid Demand may be made by a Fairvest Shareholder in respect of the Scheme in terms of section 164(7) of the Companies Act, Fairvest has not received Valid Demands from Fairvest Shareholder/s holding in aggregate more than 1% of all the issued Fairvest Shares;
- 3.6.5 by not later than 17:00 on 31 January 2022, the providers of debt funding to Fairvest and Arrowhead have, to the extent required, provided such consents or approvals, in writing, as may be required under the relevant funding agreements in order for the Scheme to be able to be effected without triggering any event of default or other potential adverse consequence under the relevant agreements;
- 3.6.6 as at 17:00 on the date on which the last of the conditions in paragraphs 3.6.2 to 3.6.5 has been fulfilled or, where appropriate, waived, none of the following events shall have occurred in respect of Fairvest or Arrowhead:
 - 3.6.6.1 any corporate action, legal proceedings or other procedure or other step (including an application to Court, proposal of a resolution or convening of a meeting of shareholders, members, directors or other officers) is taken by any person with a view to:
 - 3.6.6.1.1 a moratorium, compromise, composition, business rescue or similar arrangement with any of its creditors;
 - 3.6.6.2 its winding-up, dissolution or commencement of business rescue proceedings, or for the seeking of relief under any applicable bankruptcy, insolvency, company or similar law, or any such resolution; or
 - 3.6.6.2 the value of its assets is less than its liabilities (taking into account of contingent and prospective liabilities) or it is unable to pay its debts as they fall due;
- 3.6.7 by not later than 17:00 on 31 January 2022, all outstanding regulatory approvals legally necessary for the implementation of the Scheme have been obtained; and
- 3.6.8 by not later than 17:00 on 31 January 2022, the TRP has issued a compliance certificate in relation to the Scheme.

The conditions precedent contemplated in paragraphs 3.6.4 to 3.6.6 shall be capable of waiver or relaxation by written agreement between Fairvest and Arrowhead prior to the expiry of the applicable time periods set out in paragraph 3.6 (or such extended time period as may be agreed in writing between the Fairvest and Arrowhead).

3.7 Shareholder support

- 3.7.1 The following Arrowhead Shareholders have provided undertakings of support, in respect of which they have agreed to, *inter alia*, vote all of their Arrowhead Shares which they own or control in favour of the Arrowhead Shareholder resolutions required to implement the Transaction.

Arrowhead Shareholder	Number of AHA Shares held	Number of AHB Shares held	Total Arrowhead Shares held	% of total issued Arrowhead Shares ¹
36ONE Asset Management Proprietary Limited	9 902 379	139 817 420	149 719 799	14.8
Vukile Property Fund Limited	–	114 438 564	114 438 564	11.3
Catalyst Fund Managers SA Proprietary Limited	5 546 053	90 050 346	95 596 399	9.4
Visio Fund Management Proprietary Limited	–	84 000 000	84 000 000	8.3
Counterpoint Asset Management Proprietary Limited	–	27 393 699	27 393 699	2.7
Ninety One SA Proprietary Limited	–	20 193 735	20 193 735	2.0
Catalyst Fund Managers Alternative Investments Proprietary Limited	–	14 357 152	14 357 152	1.4
Knight Capital Proprietary Limited	–	2 279 900	2 279 900	0.2
Cohesive Capital Proprietary Limited	–	1 600 000	1 600 000	0.2
Total	15 448 432	494 130 816	509 579 248	50.2

Notes:

1. Total Arrowhead shares in issue of 1 014 140 687 calculated as 62 718 658 AHA Shares plus 951 422 029 AHB Shares.
2. The above holdings are as disclosed in the Joint Firm Intention Announcement.

- 3.7.2 The following Fairvest Shareholders have provided undertakings of support, in respect of which they have agreed to, *inter alia*, vote all their Fairvest Shares which they own or control in favour of the Fairvest Shareholder resolutions required to implement the Transaction.

Fairvest Shareholder	Number of Fairvest Shares held	% of total issued Fairvest Shares ¹
Vukile Property Fund Limited	140 387 931	14.2
MICC Properties Proprietary Limited, a subsidiary of Vukile Property Fund Limited	130 006 881	13.1
Counterpoint Asset Management Proprietary Limited	104 787 410	10.6
Stanlib Asset Management Proprietary Limited	79 439 019	8.0
Visio Fund Management Proprietary Limited	52 800 000	5.3
Ninety One SA Proprietary Limited	44 574 642	4.5
Cohesive Capital Proprietary Limited	34 837 653	3.5
Catalyst Fund Managers SA Proprietary Limited	31 023 859	3.1
Catalyst Fund Managers Alternative Investments Proprietary Limited	14 000 000	1.4
36ONE Asset Management Proprietary Limited	6 515 986	0.7
Knight Capital Proprietary Limited	4 480 331	0.5
Total	642 853 712	65.0

Notes:

1. Total Fairvest Shares in issue of 989 246 076 calculated as 1 027 332 675 less 38 086 599 treasury shares.
2. The above holdings are as disclosed in the Joint Firm Intention Announcement.

4. PREVIOUS ISSUES OF SECURITIES

There have been no issues or offers of Arrowhead Shares or Fairvest Shares in the three years preceding the Last Practicable Date other than as set out in **Annexure 14**.

SECTION 3: STATEMENTS AND REPORTS

1. STATEMENT AS TO ADEQUACY OF CAPITAL

- 1.1 Assuming the Transaction is implemented, the Arrowhead Board is of the opinion that the issued share capital of the Combined Group will be adequate for the purposes of the business of the Combined Group, for at least the next 12 months from the date of issue of these Revised Listing Particulars.
- 1.2 The Arrowhead Board is of the opinion that, should the Transaction be implemented, taking into account the bank and other facilities available to Arrowhead and Fairvest, the working capital of the Combined Group will be sufficient for its present requirements, that is for at least 12 months from the date of issue of these Revised Listing Particulars.

2. REPORT BY DIRECTORS AS TO MATERIAL CHANGES

- 2.1 The Arrowhead Board confirms that there have been no material changes to the financial or trading position of the Arrowhead Group since Arrowhead published its reviewed condensed consolidated results for the year ended 30 September 2021 and the Last Practicable Date.
- 2.2 The Arrowhead Board confirms that, after having made all reasonable enquiries to ascertain such facts, to the best of its knowledge and belief, there have been no material changes to the financial or trading position of the Fairvest Group since Fairvest published its audited results for the year ended 30 June 2021 and the Last Practicable Date.

3. STATEMENT AS TO LISTING ON A STOCK EXCHANGE

The Arrowhead Shares are listed on the JSE, and the Fairvest Shares are currently listed on the JSE and on the A2X. Post implementation of the Scheme, the Fairvest Shares will be delisted from the JSE and the A2X.

4. HISTORICAL FINANCIAL INFORMATION

4.1 Historical financial information of Arrowhead

The reviewed condensed consolidated historical financial information of Arrowhead in respect of the financial year ended 30 September 2021 and the audited historical financial information of Arrowhead in respect of the financial years ended 30 September 2020 and 2019, along with the audit reports thereto are incorporated by reference as per **Section 4**, paragraph 8 and is available for inspection as per **Section 4**, paragraph 9. The historical financial information of Arrowhead is the responsibility of the directors of Arrowhead.

4.2 Historical financial information of Fairvest

The audited historical financial information of Fairvest in respect of the financial years ended 30 June 2021, 2020 and 2019, along with the audit reports thereto are incorporated by reference as per **Section 4**, paragraph 8 and is available for inspection as per **Section 4**, paragraph 9. The audited historical financial information of Fairvest is the responsibility of the directors of Fairvest.

5. FORECAST STATEMENTS OF COMPREHENSIVE INCOME OF THE COMBINED GROUP

- 5.1 Arrowhead's year end is currently 30 September and will remain 30 September in relation to the Combined Group post implementation of the Transaction. As a result of the implementation of the Transaction, Fairvest will become a Subsidiary of Arrowhead and its financial year end will change to 30 September to align with the year end of the Combined Group.
- 5.2 The forecast statements of comprehensive income in respect of the Combined Group have been prepared for the year ending 30 September 2022 and the year ending 30 September 2023 (collectively, the "**Forecasts**"), and are set out in **Annexure 10**.
- 5.3 The Forecasts, including the assumptions on which they are based and the financial information from which they are prepared, are the responsibility of the directors of Arrowhead.

- 5.4 The Forecasts must be read in conjunction with the Independent Reporting Accountants' limited assurance report on the forecasts contained in **Annexure 11**.

6. **PRO FORMA EFFECTS OF THE TRANSACTION**

- 6.1 The *pro forma* statement of comprehensive income for the year ended 30 September 2021 and the *pro forma* consolidated statement financial position as at 30 September 2021 of the Arrowhead Group before and after the Transaction, including the assumptions on which it is based and notes thereto ("*Pro Forma Financial Information*") are set out in **Annexure 12**.
- 6.2 The *Pro Forma* Financial Information is the responsibility of the directors of Arrowhead.
- 6.3 The Independent Reporting Accountants' report on the *Pro Forma* Financial Information is set out in **Annexure 13**.
- 6.4 The Independent Reporting Accountants' review conclusion regarding the assets and liabilities acquired in terms of the Transaction, as reflected in the adjustment column of the *pro forma* consolidated statement of financial position to the *Pro Forma* Financial Information is set out in **Annexure 14**.

7. **DIVIDENDS**

- 7.1 In compliance with paragraph 13.47 of the Listings Requirements, the Company must distribute at least 75% of its total distributable profits as a distribution to Arrowhead Shareholders at least annually, within four months after its financial year end, subject to the relevant solvency and liquidity test as defined in the Companies Act and applied in section 46 of the Companies Act.
- 7.2 If considered appropriate, and subject to compliance with Section 46 of the Companies Act, Arrowhead declares semi-annual dividends for the six-month periods ending 31 March and 30 September.
- 7.3 Any distributions remaining unclaimed for a period of three years from the declaration date thereof may be forfeited by resolution of the Arrowhead Board for the benefit of Arrowhead.
- 7.4 There are no arrangements in terms of which future dividends or interest distributions are waived or agreed to be waived.
- 7.5 Further details in respect of dividends and distributions are contained in **Annexure 5**.

SECTION 4: ADDITIONAL MATERIAL INFORMATION

1. RELATIONSHIP INFORMATION

- 1.1 None of the directors of Arrowhead and Fairvest, promoters, or property managers have had any beneficial interest, direct or indirect, in relation to any property held or property to be acquired by Arrowhead or Fairvest nor are they contracted to become a tenant of any part of the property of the Combined Group.
- 1.2 There is no relationship between any of the parties mentioned in the above paragraph and another person that may conflict with a duty to the Combined Group.
- 1.3 The asset management function is currently internalised within each of Arrowhead and Fairvest, and will continue to be internally performed in respect of the Combined Group.
- 1.4 Details of the property management agreements for Arrowhead and Fairvest are set out in **Annexure 6** and the property management agreements will lie open for inspection in accordance with **Section 4**, paragraph 9.
- 1.5 None of the property managers, or their directors had any beneficial interest, direct or indirect, in any securities or participatory interests issued or to be issued by Arrowhead or Fairvest in order to finance the acquisition of any properties in Arrowhead or Fairvest's property portfolios.
- 1.6 The property portfolio of the Combined Group will continue to be managed by a strongly incentivised, dedicated and proven executive management team, further details of which are set out in **Section 1**, paragraph 2.
- 1.7 Save as disclosed in respect of the acquisitions as set out in **Annexure 9**, the vendors of the properties acquired or to be acquired by the Arrowhead Group and the Fairvest Group did not have any beneficial interest, direct or indirect, in any securities or participatory interests issued or to be issued by Arrowhead or Fairvest in order to finance the acquisition of any properties in Arrowhead or Fairvest's property portfolios.
- 1.8 The directors of Arrowhead and Fairvest, the property managers and the promoters have not had a material beneficial interest, whether directly or indirectly, in the acquisition or disposal of any properties of Arrowhead or Fairvest during the two years preceding the Last Practicable Date.

2. VENDORS OF MATERIAL ASSETS

- 2.1 Details relating to the vendors of all material immovable properties, fixed assets and/or business undertakings ("**Vendors**") acquired or to be acquired by the Arrowhead Group and the Fairvest Group within the three years preceding the Last Practicable Date are set out in **Annexure 9**.
- 2.2 No Vendor has guaranteed book debts or other assets. The agreements in terms of which the relevant material assets were or are to be acquired (the "**Vendor Agreements**") contain warranties standard for transactions of their nature.
- 2.3 The Vendor Agreements do not preclude the Vendors from carrying on business in competition with the Arrowhead Group or the Fairvest Group, nor do they impose any other similar restrictions on the Vendors. No payment in cash or otherwise has been made in this regard.
- 2.4 There are no liabilities for accrued taxation that are required to be settled in terms of the Vendor Agreements.
- 2.5 Save for the directors' interests as set out in **Annexure 3**, no director, proposed director or promoter of the Arrowhead Group or the Fairvest Group (or any partnership, syndicate or other association in which a promoter or director had an interest) had any direct or indirect beneficial interest in the acquisition of the material assets from the Vendors.
- 2.6 No cash or securities have been paid or any benefit given within the three years preceding the Last Practicable Date or is proposed to be paid or given to any promoter of either the Arrowhead Group or the Fairvest Group (not being a director).
- 2.7 Other than the Scheme Shares which are to be acquired by Arrowhead in relation to the Transaction, the material assets which are the subject of this paragraph have all been transferred into the name of the Arrowhead Group and/or the Fairvest Group.
- 2.8 Save where such assets have been provided as security for borrowings as set out in **Annexure 16**, no such assets have been ceded or pledged.

3. LITIGATION STATEMENT

There are no legal or arbitration proceedings which may have or have during the 12 months preceding the Last Practicable Date, had a material effect on the financial position of either the Arrowhead Group or the Fairvest Group. The Combined Group is not aware of any other proceedings that would have a material effect on the financial position of the Combined Group or which are pending or threatened against the Combined Group.

4. TRADING HISTORY OF SHARES

A table of the aggregate volumes and values traded and the highest and lowest prices traded in Arrowhead Shares and Fairvest Shares for each month over the 12 months preceding to, and for each day over the 30 days preceding, the Last Practicable Date is set out in **Annexure 17**.

5. GOVERNMENT PROTECTION AND INVESTMENT ENCOURAGEMENT LAW

There is no government protection or any investment encouragement law pertaining to any of the businesses operated by the Arrowhead Group or by the Fairvest Group.

6. DIRECTORS' RESPONSIBILITY STATEMENT

The Arrowhead Board, whose names are set out in page 13, collectively and individually accept full responsibility for the accuracy of the information given in these Revised Listing Particulars and certify that to the best of their knowledge and belief there are no facts that have been omitted which would make any statement false or misleading and that they have made all reasonable enquiries to ascertain such facts and that these Revised Listing Particulars contains all information required by law and the Listings Requirements.

7. CONSENTS

Each of the Strategic Corporate Advisor, Joint Corporate Adviser and Transaction Sponsor, the Independent Reporting Accountants, the Independent Property Valuers, the Transfer Secretaries and the Attorneys and Competition Law Advisors have consented in writing to act in the capacities stated and to their names appearing in these Revised Listing Particulars and have not withdrawn their consent prior to the publication of this document.

The Independent Reporting Accountants and Independent Property Valuers and have consented to the inclusion of their reports in the form and context in which they are included in these Revised Listing Particulars, which consents have not been withdrawn prior to the publication of this document.

8. DOCUMENTS INCORPORATED BY REFERENCE

The following information has been incorporated by reference and is available for viewing on the Company and Fairvest's websites as set out below.

Information incorporated by reference	Website link
Arrowhead's integrated annual report for the year ended 30 September 2020	https://arrowheadproperties.co.za/annual-reports.php
Arrowhead's reviewed condensed consolidated results for the year ended 30 September 2021 and Arrowhead's audited financial results in respect of the years ended 30 September 2020 and 2019 ("Arrowhead HFI")	2021: https://senspdf.jse.co.za/documents/2021/jse/isse/AHAE/FY2021.pdf 2020 and 2019: https://www.arrowheadproperties.co.za/results.php
Auditor reports in respect of the Arrowhead HFI	2021: https://senspdf.jse.co.za/documents/2021/jse/isse/AHAE/FY2021.pdf 2020: https://arrowheadproperties.co.za/cmsAdmin/uploads/interim-results/afs-2020.pdf 2019: https://www.arrowheadproperties.co.za/cmsAdmin/uploads/annual-reports/arrowhead-integrated-annual-report-2019.pdf
Fairvest's integrated annual report for the year ended 30 June 2021	https://fairvest.co.za/news/reports

Information incorporated by reference	Website link
Fairvest's audited financial results in respect of the years ended 30 June 2021, 2020 and 2019 (" Fairvest HFI ")	https://fairvest.co.za/news/results
Audit reports in respect of the Fairvest HFI	2021: https://fairvest.co.za/news/results 2020: https://fairvest.co.za/news/results 2019: https://fairvest.co.za/news/reports
Fairvest Circular	https://fairvest.co.za/news/notices
Fairvest Revised Listing Particulars	https://fairvest.co.za/news/notices
Scheme Circular	https://fairvest.co.za/news/notices

9. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents will be available for inspection electronically and may be obtained from the Company by sending a request to vicki@arrowprop.co.za from the date of issue of these Revised Listing Particulars up to and including the date of the General Meeting, during normal business hours:

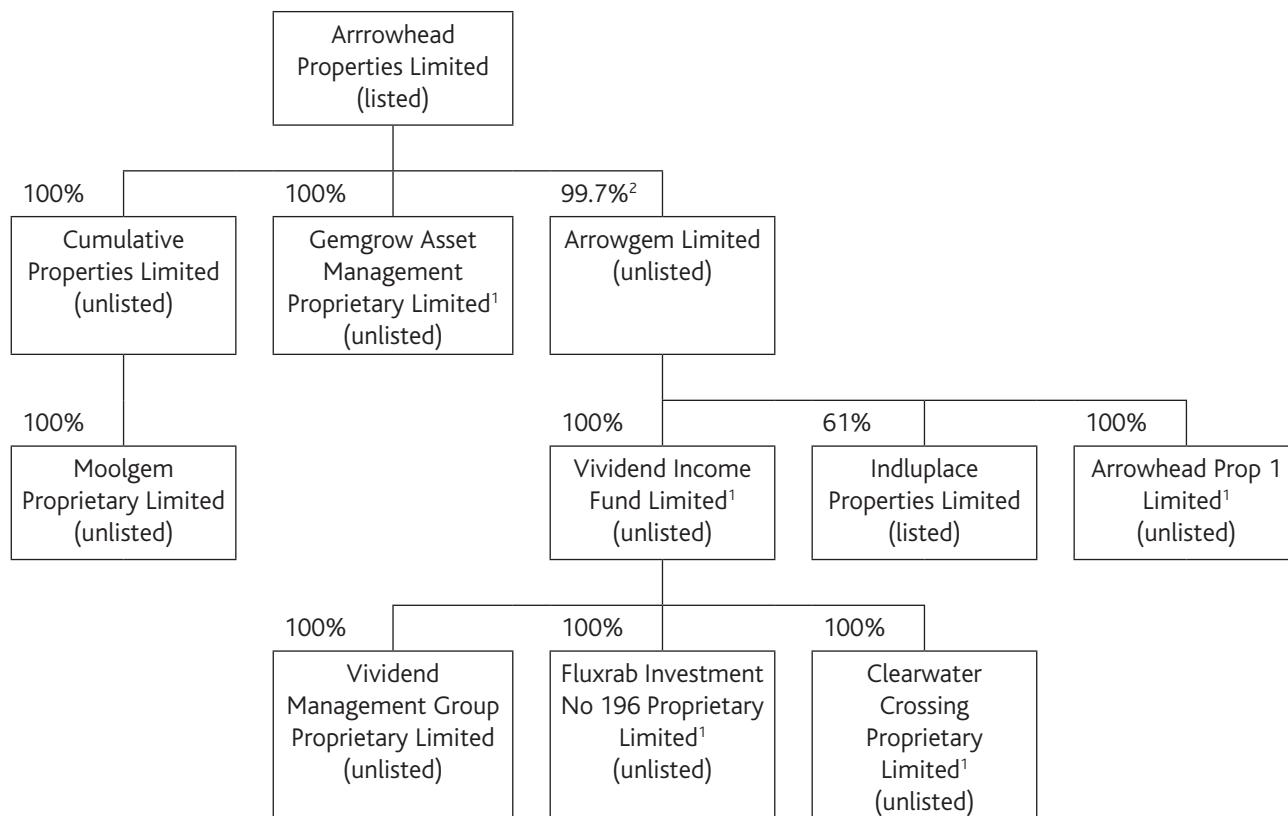
- 9.1 the signed Circular;
- 9.2 the signed Revised Listing Particulars;
- 9.3 the MOI of Arrowhead and its Major Subsidiaries;
- 9.4 a standard directors' letter of engagement;
- 9.5 the Implementation Agreement;
- 9.6 the letters of undertaking by Arrowhead and Fairvest Shareholders in relation to the Transaction;
- 9.7 the property management agreements detailed in **Annexure 6**;
- 9.8 the summary valuation reports, prepared by the Independent Property Valuers and as set out in **Annexure 7**, together with the detailed valuation reports;
- 9.9 service agreements with directors, managers or secretary/ies, underwriters, vendors and promoters entered into during the three years preceding the Last Practicable Date;
- 9.10 the written consents of advisors, whose names are set out in the "Corporate Information and Advisors" section of the Circular and these Revised Listing Particulars, to the inclusion of their names in the Circular and these Revised Listing Particulars in the context and form in which they appear; and
- 9.11 Arrowhead's integrated annual report for the year ended 30 September 2020;
- 9.12 the reviewed condensed consolidated results of Arrowhead in respect of the year ended 30 September 2021;
- 9.13 audited annual financial statements of Arrowhead in respect of the years ended 30 September 2020 and 2019;
- 9.14 the Independent Reporting Accountants' limited assurance report on the forecast financial information of the Combined Group as contained in **Annexure 11**;
- 9.15 the Independent Reporting Accountants' limited assurance report on the *pro forma* statement of financial position of the Arrowhead Group contained in **Annexure 13**; and
- 9.16 the Independent Reporting Accountant's review conclusion regarding the assets and liabilities being acquired contained in **Annexure 14**.

For and on behalf of Arrowhead

These Revised Listing Particulars was signed in Johannesburg on behalf of all the directors of Arrowhead in terms of powers of attorney granted on or about 30 November 2021.

GROUP STRUCTURE

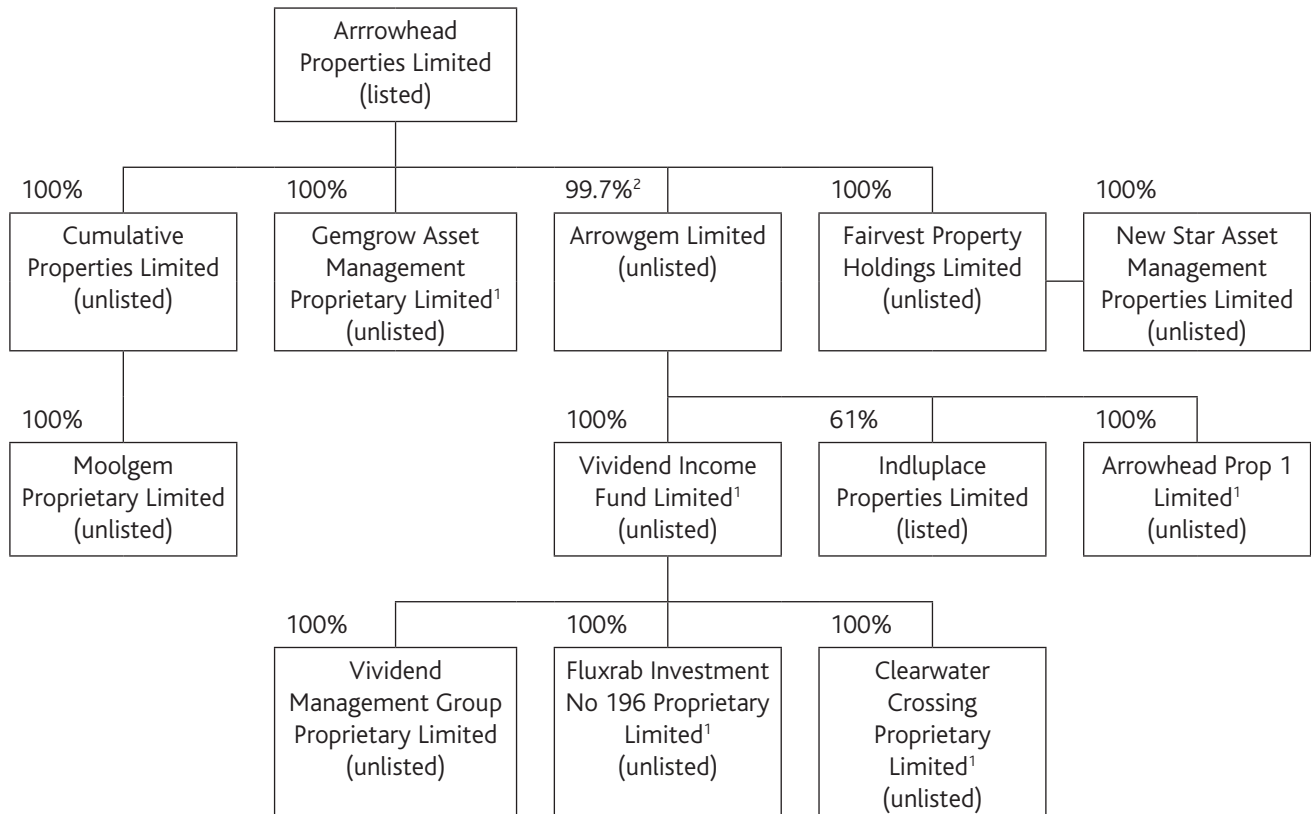
Set out below is the Arrowhead Group structure as at the Last Practicable Date:



Notes:

1. Dormant entity
2. 0.3% still held by dissenting shareholders from Gemgrow Arrowhead Merger

Set out below is the Combined Group structures post implementation of the Transaction:



Notes:

1. Dormant entity.
2. 0.3% still held by dissenting shareholders from Gemgrow Arrowhead Merger.

DETAILS OF SUBSIDIARIES

Subsidiaries of the Arrowhead Group

The following table contains a list of Arrowhead's subsidiaries post-implementation of the Transaction.

Name of Subsidiary	Main business	Listed/unlisted	Registration number	Date and place of incorporation and date became a subsidiary	Issued share capital	Effective holding by Arrowhead
1. Fairvest Property Holdings Limited	Property owning company	Unlisted	1998/005011/06	17 March 1998 South Africa January 2022	1 046 421 089 Fairvest Shares	100%
2. Arrowgem Limited	Property owning company	Unlisted	2011/000308/06	5 January 2011 South Africa 23 September 2019	1 047 677 943 ordinary no par value shares	99.7%
3. Indluplace Properties Limited	Property owning company	Listed	2013/226082/06	3 December 2013 South Africa June 2015	319 356 799 ordinary shares of no par value	60%
4. Cumulative Properties Limited	Property owning company	Unlisted	2015/335578/06	21 September 2015 South Africa December 2016	416 845 546 no par value shares	100%
5. Moolgem Proprietary Limited	Property owning company	Unlisted	2017/174691/07	20 April 2017 South Africa December 2018	10 000 ordinary shares and 31 010 A ordinary shares	100% of the A ordinary shares and 75.62% of the total issued share capital
6. Vividend Income Fund Limited	Property owning company	Unlisted	2010/003232/06	17 February 2010 South Africa August 2014	268 331 668 linked units comprising of debentures of R4.9999 each and ordinary shares of 0.001 cent each	99.7%
7. Gemgrow Asset Management Proprietary Limited ¹	Asset management company	Unlisted	2007/016890/07	21 June 2007 South Africa December 2016	10 000 ordinary shares of R0.01 each	100%

Notes:

1. Gemgrow Asset Management is a dormant entity.
2. None of the above Subsidiaries have altered its share capital during the past three years.

Subsidiaries of the Fairvest Group

	Subsidiary	Main business	Listed/ unlisted	Registration number	Date and place of incorporation and date became a subsidiary	Issued Share capital	Effective holding by Fairvest
1.	Fairvest Property Management Proprietary Limited	Property owning company	Unlisted	2001/020298/07	28 August 2001 South Africa 19 November 2001	100 shares of no par value	100%
2.	Fairvest Properties Two Proprietary Limited	Property owning company	Unlisted	2000/009837/07	24 May 2000 South Africa 19 November 2001	1000 shares of no par value	100%
3.	FPP Property Venture 103 Proprietary Limited	Property owning company	Unlisted	2015/229619/07	9 July 2015 South Africa 1 January 2016	100 shares of no par value	80%
4.	Macassar Retail Centre Proprietary Limited	Property owning company	Unlisted	2014/209218/07	24 October 2014 South Africa 29 July 2016	100 shares of no par value	100%
5.	Libode Shopping Centre Proprietary Limited	Property owning company	Unlisted	2017/273514/07	26 June 2017 South Africa 1 October 2018	100 shares of no par value	55%
6.	Parow Valley Centre Proprietary Limited	Property owning company	Unlisted	2015/229676/07	9 July 2015 South Africa 1 January 2016	100 shares of no par value	100%
7.	FPP Property Venture 102 Proprietary Limited	Property owning company	Unlisted	2015/229521/07	9 July 2015 South Africa 18 July 2017	100 shares of no par value	51%
8.	Southview Shopping Centre Proprietary Limited	Property owning company	Unlisted	2015/229521/07	26 June 2017 South Africa 2 October 2017	100 shares of no par value	50%
9.	Bara Precinct Proprietary Limited	Property owning company	Unlisted	2016/323469/07	28 July 2016 South Africa 12 December 2017	301 'A' class ordinary shares, 199 'B' ordinary shares and 100 ordinary shares of no par value	50.17%
10.	Diepkloof Leaseholder Proprietary Limited ¹	Property owning company	Unlisted	1979/007051/07	3 December 1979 South Africa 12 December 2017	100 shares of no par value	50.17%
11.	Qumbu Plaza Proprietary Limited	Property owning company	Unlisted	2017/471706/07	23 October 2017 South Africa 15 August 2019	100 shares of no par value	51%
12.	New Star Asset Management Proprietary Limited	Asset manager	Unlisted	2005/029006/07	18 August 2005 South Africa 1 October 2021	1 250 ordinary shares	100%

Notes:

1. Bara Precinct Proprietary Limited owns 100% of the issued share capital in Diepkloof Leaseholder Proprietary Limited.

DETAILS OF CURRENT AND PROPOSED DIRECTORS OF THE COMBINED GROUP AND ITS MAJOR SUBSIDIARIES

1. Directors' interests in Arrowhead Shares

The following information in relation to the direct and indirect beneficial interests of the directors of the Company and their Associates in Arrowhead Shares, which includes the interests of persons who were directors during the last 18 months is set out below.

1.1 The interests of directors in AHA Shares at the Last Practicable Date:

Director	Direct beneficial	Indirect beneficial	Total AHA Shares	Total (%) ¹
A Basserabie	215 000	–	215 000	0.34
Total	215 000	–	215 000	0.34

Note:

1. Based on 62 718 658 AHA Shares in issue (net of treasury shares) as at the Last Practicable Date.

1.2 The interests of directors in AHB Shares at the Last Practicable Date:

Director	Direct beneficial	Indirect beneficial	Total AHB Shares	Total (%) ³
M Kaplan	14 575 063	9 853 309	24 428 372	2.57
J Limalia	3 025 000	3 846 577	6 871 577	0.72
R Kader ¹	1 264 528	1 332 500	2 597 028	0.27
A Kinkel ¹	3 000 000	3 960 425	6 960 425	0.73
M Nell ²	–	304 769	304 769	0.03
N Makhoba	22 239	–	22 239	0.00
Total	21 886 830	19 297 580	41 184 410	4.33

Notes:

1. Resigned as a director with effect 1 October 2020.

2. Passed away as announced on SENS on 3 September 2021.

3. Based on 950 766 997 AHB Shares in issue (calculated as 951 422 029 shares less 655 032 treasury shares) as at the Last Practicable Date.

1.3 There were no trades in AHA Shares entered into by the directors of the Company or by their Associates during the period commencing on 30 September 2021 and ending on the Last Practicable Date.

1.4 There were no trades in AHB Shares entered into by directors of the Company or by their Associates during the period commencing on 30 September 2021 and ending on the Last Practicable Date.

1.5 There will be no change to the direct or indirect beneficial interests in AHA Shares by Arrowhead directors post implementation of the Transaction.

- 1.6 Post implementation of the Transaction, the directors of Arrowhead will hold the following interests in AHB Shares:

Director	Direct beneficial	Indirect beneficial	Total AHB Shares	Total (%) ⁴
M Kaplan ¹	14 575 063	9 853 309	24 428 372	1.64
J Limalia ¹	3 025 000	3 846 577	6 871 577	0.46
R Kader ²	1 264 528	1 332 500	2 597 028	0.17
A Kinkel ²	3 000 000	3 960 425	6 960 425	0.47
M Nell ³	–	304 769	304 769	0.02
N Makhoba	22 239	–	22 239	0.00
Total	21 886 830	19 297 580	41 184 410	2.77

Notes:

1. Director will step down from the Arrowhead Board post implementation of the Scheme.
2. Resigned as a director of Arrowhead with effect 1 October 2020.
3. Passed away as announced on SENS on 3 September 2021.
4. Based on 1 485 494 058 AHB Shares in issue (calculated as 1 496 467 154 shares less 655 032 treasury shares and 10 318 064 AHB Shares acquired by Fairvest which will become treasury shares) post implementation of the Transaction.

- 1.7 Apart from Arnold Basserabie's holding of AHA Shares as set out in paragraph 1.1 above, the proposed directors of the Combined Group will not have a direct or indirect beneficial interest in AHA Shares post implementation of the Transaction.

- 1.8 Set out below are the anticipated interests of the proposed Directors of the Combined Group in AHB Shares post implementation of the Transaction:

Director	Direct beneficial	Indirect beneficial	Total AHB Shares	Total (%) ¹
DM Wilder	–	5 405 610	5 405 610	0.36
BJ Kriel	–	12 820 389	12 820 389	0.86
N Mkhize	–	–	–	–
J du Toit	–	–	–	–
L Andrag	–	–	–	–
K Nkuna	–	–	–	–
J Wiese	–	–	–	–
N Makhoba	22 239	–	22 239	0.00
A Basserabie	–	–	–	–
Total	22 239	18 225 999	18 248 238	1.22

Note:

1. Based on 1 485 494 058 AHB Shares in issue (calculated as 1 496 467 154 shares less 655 032 treasury shares and 10 318 064 AHB Shares acquired by Fairvest which will become treasury shares) post implementation of the Transaction.

2. Directors' interests in transactions and properties acquired or disposed of

- 2.1 The following Fairvest directors, whom are proposed directors, are beneficial holders of Fairvest Shares:

2.1.1 DM Wilder holding 9 978 190 (indirect beneficial) Fairvest Shares (0.99% of total issued Fairvest Shares); and

2.1.2 BJ Kriel holding 23 717 745 (indirect beneficial) Fairvest Shares (2.35% of total issued Fairvest Shares); and

therefore they are beneficially interested in the Transaction.

2.2 Save as:

2.2.1 disclosed above, in relation to their holding of Fairvest Shares; and

2.2.2 DM Wilder's interest in the Fairvest Manco Internalisation as detailed in the Fairvest Circular;

none of the directors of Arrowhead and proposed directors of the Combined Group, including a director who was a director during the last 18 months, has or had any material beneficial interest, direct or indirect, in any transactions that were effected by Arrowhead during the current or immediately preceding financial year or during any earlier financial year and which remain in any respect outstanding or unperformed.

2.3 None of the directors of Arrowhead, nor any promotor of Arrowhead have been beneficially interested, whether directly or indirectly, in the acquisition or disposal of any properties by the Arrowhead Group during the two years preceding the Last Practicable Date.

2.4 None of the directors of Fairvest, nor New Star (which prior to the Fairvest Manco Internalisation, performed the asset management function for Fairvest), nor any promotor of Fairvest have been beneficially interested, whether directly or indirectly, in the acquisition or disposal of any properties by the Fairvest Group during the two years preceding the Last Practicable Date.

3. Directors' emoluments

3.1 Executive directors of Arrowhead do not receive directors' or sub-committee fees. Non-executive directors' remuneration consists of an annual fee plus sub-committee membership fees. The non-executive directors' remuneration is approved by Arrowhead Shareholders at each annual general meeting and is considered to be market related.

3.2 The remuneration of the directors of Arrowhead for the year ended 30 September 2020 is as follows:

	Emoluments/ Directors' fees R'000	Bonus R'000	Total R'000
<i>Executive</i>			
M Kaplan	4 963	5 663	10 625
J Limalia	3 055	3 520	6 575
R Kader ¹	3 055	3 580	6 635
A Kinkel ¹	3 055	3 505	6 560
Subtotal	14 129	16 268	30 396
<i>Non-executive</i>			
M Nell ²	564	—	564
T Adler	821	—	821
A Basserabie	444	—	444
G Kinross	490	—	490
N Makhoba ³	370	—	370
S Mokorosi	407	—	407
S Noik ⁴	791	—	791
Subtotal	3 887	—	3 887
Total	18 016	16 268	34 283

Notes:

1. Resigned as a director of Arrowhead with effect 1 October 2020.
2. Passed away as announced on SENS on 3 September 2021.
3. Appointed 1 November 2019.
4. Resigned as a director of Arrowhead with effect 25 February 2021.

3.3 Share based payments to directors

- 3.3.1 Arrowhead's Conditional Share Plan ("**CSP**") provides for the annual award of AHB Shares ("**Performance Shares**") which vest after three years, subject to the achievement of strategically important performance conditions and the participant remaining employed with Arrowhead. The Performance Shares will vest in December 2022 and December 2023 respectively subject to the achievement of performance targets for the three-year period 1 October 2019 to 30 September 2022 and 1 October 2020 to September 2023. The awards are equity settled.
- 3.3.2 The CSP was approved by Arrowhead (previously Gemgrow) shareholders and Arrowgem (Old Arrowhead) shareholders respectively on 5 February 2019. However, as Gemgrow and Old Arrowhead were either in prohibited or closed periods following receipt of approval of the CSPs, no awards were made in terms of either CSP to the executive directors in respect of the 2019 financial year.
- 3.3.3 To rectify the inability to grant awards under the various long-term incentive ("**LTI**") schemes and that there was a period of two years during which no LTI awards vested, the Arrowhead Board approved the implementation of a "**Phantom Scheme**" to put the executive directors in the position they would have been in, had awards been capable of being granted in respect of the 2018 and 2019 financial years.
- 3.3.4 The Phantom Scheme awards are subject to all the same terms and vesting conditions as equivalent awards under the CSP would have been, with the sole exception that, if and to the extent that the vesting conditions are satisfied, the value of the awards are settled in cash as opposed to by the award of AHB Shares.
- 3.3.5 The Phantom Scheme awards will vest in December 2021 subject to the achievement of performance targets for the period 1 October 2018 to 30 September 2021. The awards are cash settled.
- 3.3.6 The total number of awards which have been made under both the CSP and the Phantom Scheme at 30 September 2021 are as follows:

	Number of AHB Shares awarded under the CSP	Number of equivalent AHB Shares awarded under the Phantom Scheme
M Kaplan	1 964 753	1 962 718
J Limalia	1 209 620	417 656
R Kader ¹	1 209 620	660 493
A Kinkel ¹	1 209 620	417 656

Notes:

1. Resigned as Arrowhead Director with effect 1 October 2020.

- 3.4 Save as set out above, the directors of Arrowhead as at the Last Practicable Date did not receive any emoluments for the twelve months ended 30 September 2020 in the form of:
- 3.4.1 management, consulting, technical or other fees paid for such services rendered, directly or indirectly, including payments to management companies, a part of which is then paid to a director of the Company;
- 3.4.2 basic salaries;
- 3.4.3 bonuses and performance-related payments;
- 3.4.4 sums paid by way of expense allowance;
- 3.4.5 any other material benefits;
- 3.4.6 contributions paid under any pension scheme; or
- 3.4.7 any commission, gain or profit-sharing arrangements.
- 3.5 The table below sets out the estimated remuneration of the proposed directors of the Combined Group (including from the Subsidiaries of the Combined Group) for the year ending 30 September 2022, which estimate has been based on the remuneration disclosed in Fairvest's June 2021 integrated annual report. The updated remuneration of the proposed directors of the Combined Group (including from the Subsidiaries of the Combined) group for the year ending 30 September 2022 will be approved by the shareholders of the Combined Group at the Company's next annual general meeting to be held on or about 10 February 2022.

	Directors' fees R'000	Salary R'000	Total R'000
Executive			
DM Wilder	–	3 045	3 045
BJ Kriel	–	1 930	1 930
Subtotal	–	4 975	4 975
Non-executive			
N Mkhize	279	–	190
JF Du Toit	190	–	190
LW Andrag	190	–	190
KR Nkuna	190	–	190
JD Wiese	190	–	190
N Makhoba	190	–	190
A Basserabie	190	–	190
Subtotal	1 419	–	1 419
Total	1 419	4 975	6 394

Notes:

1. All amounts are exclusive of VAT.
 2. An in-depth review of the Remuneration Policy will be undertaken during the 2022 Financial Year.
 3. Attendance at board committee meetings are remunerated per meeting attended in the amount of R19 024.75 payable to the chairperson and R12 960.09 payable to board committee members for each board committee meeting.
 4. Bonus payments to executive directors are not included in the above table as these are discretionary amounts to be determined during the 2022 Financial Year.
- 3.6 No share options or any other right has been given to a director or proposed director in respect of providing a right to subscribe for Arrowhead Shares.
 - 3.7 All directors and proposed directors will be remunerated by Arrowhead.
 - 3.8 Save as disclosed in this paragraph 3, no director received any remuneration or benefit in any form from any Subsidiary, Associate, joint venture or other third party management or advisory company.
 - 3.9 There will be no fees payable or accrued as payable by Arrowhead to a third party in lieu of directors' fees.
 - 3.10 Save as set out in paragraph 4 and 5 below (in relation to the departing directors of Arrowhead), the remuneration of directors and proposed directors will not be varied as a consequence of the Transaction.
 - 3.11 Save as disclosed in **Annexure 6** and CIS Company Secretaries Proprietary Limited, which manages Arrowhead's back-end administrative secretarial services, the business of Arrowhead, or any part thereof, is not managed or proposed to be managed by any third party under contract or arrangement.
 - 3.12 Save for the service agreements as set out in paragraph 9 of this **Annexure 3**, Arrowhead has not entered into any contracts relating to the proposed directors' and managerial remuneration, secretarial and technical fees and restraint payments.
 - 3.13 Non-executive directors are not subject to fixed terms of employment other than the conditions contained in the MOI and, as such, no service contracts have been entered into between the non-executive directors and the Company. Non-executive directors' fees are approved in advance by Arrowhead Shareholders by special resolution at the Company's annual general meeting, at intervals of no longer than two years at a time. One-third of all executive and non-executive directors retire from office by rotation at the Company's annual general meeting and, if eligible, may offer themselves for re-election.
 - 3.14 No restraints of trade have been imposed on any of the executive or non-executive directors and no payments will be made in this regard.

4. Principles to be applied in relation to departing Arrowhead directors

The below agreed principles, which are intended to come into effect post implementation of the Transaction, are contained in the Implementation Agreement.

- 4.1 Alon Kinkel and Riaz Kader will continue in their existing roles and accordingly their current terms and conditions of employment will remain unchanged.
- 4.2 Mark Kaplan and Junaid Limalia will have the option to accept a mutually agreed exit, subject to the terms set out below. Refer to paragraph 5 below which sets out the terms of the Departing Executive Termination Agreements concluded post signature of the Implementation Agreement.
- 4.3 All executives will be entitled to receive their short-term incentives ("**STIs**") for the financial year ended 30 September 2021. The calculation of the STIs in question will be done by the current Arrowhead Board, prior to the implementation of the Scheme, based on achievement of the pre-determined key performance indicators and will not include any additional discretionary amounts or payments. The cost of the STIs will reduce the distributable income for the financial year ended 30 September 2021, as it would in the ordinary course (and accordingly will reduce the Clean-out Distribution payable by Arrowhead). Refer to paragraph 5 below which sets out the terms of the Departing Executive Termination Agreements concluded post signature of the Implementation Agreement in relation to the STIs awarded to Mark Kaplan and Junaid Limalia.
- 4.4 All executives will, in accordance with the terms of the current long-term incentive ("**LTI**") schemes, be entitled to receipt of any LTI awards that vest prior to or on the implementation of the Transaction. This will include, in the case of Mark Kaplan and Junaid Limalia the *pro rata* portions of any LTI awards that vest under the terms of the LTI scheme as a result of, and on the date, of the termination of their employment (recognising that they will, for the purpose of the LTI scheme, be deemed to be 'good leavers'). The determination of the amount of the vested LTI awards in question will be done by the current Arrowhead Board prior to the implementation of the Scheme. Refer to paragraph 5 below which sets out the terms of the Departing Executive Termination Agreements concluded post signature of the Implementation Agreement in relation to the LTIs awarded to Mark Kaplan and Junaid Limalia.
- 4.5 For non-exiting executives, any historic LTI awards that only vest at a future date, will remain in place subject to the terms and conditions of the LTI scheme. The cost of the portions of LTI awards that vest or are received by Mark Kaplan and Junaid Limalia as result of being good leavers under the LTI scheme will (except to the extent that such cost relates to any period after 30 September 2021) reduce the distributable income for the financial year ended 30 September 2021, as it would in the ordinary course (and accordingly will reduce the Clean-out Distribution payable by Arrowhead).
- 4.6 The determination of any new LTI awards; the terms and conditions of any STI in respect of the 2022 financial year as well as any salary increases in respect of the 2022 financial year, will be the responsibility of the reconstituted Arrowhead Board post the implementation of the Scheme.
- 4.7 Mark Kaplan and Junaid Limalia (if applicable) shall on the agreed date of termination of their employment, be entitled to a termination pay out equivalent to the remuneration they would have been paid had they remained employed for the minimum retention period provided for in their employment contracts (being the period up to 31 August 2024) - this comprises basic pay, allowances and contributions to any company benefit scheme, but expressly excludes any discretionary bonuses. Refer to paragraph 5 below which sets out the terms of the agreed Exit Payments (as defined in paragraph 5 below) in relation to the Departing Executive Termination Agreements concluded post signature of the Implementation Agreement.
- 4.8 The Exit Payments referred to in paragraph 4.7 above, will be paid out of the cash reserves of the Combined Group and will not impact distributions for the period ended 30 September 2021 (and accordingly will not reduce the Clean-out Distributions).

5. Agreed terms in relation to the Exit Payments, STI and LTI awards payable to the exiting executive directors of Arrowhead

Mark Kaplan and Junaid Limalia (the "**Executive(s)**"), the existing Chief Executive Officer and Chief Financial Officer of Arrowhead, have, post signature of, and in accordance with the principles contained in the Implementation Agreement as outlined in paragraph 4 above, entered into the Departing Executive Termination Agreements in terms of which they have accepted a mutually agreed exit in accordance with the below key terms:

- 5.1 The Executive's employment with the Company (and any other contractual relationship with any other company within the Arrowhead Group, if applicable) shall terminate by mutual agreement on the Departing Executive Termination Date.

- 5.2 The Executive unconditionally resigns from the Arrowhead Board and/or any committees of the Arrowhead Board and any other company within the Arrowhead Group's board of directors on which he has a seat.
- 5.3 The Company shall pay the Executive a termination payment in a gross amount of ZAR 11 716 053 in relation to Mark Kaplan and ZAR 8 610 653 in relation to Junaid Limalia (the "**Exit Payment(s)**"), being an amount equivalent to the guaranteed remuneration the Executive would have been paid had he remained employed by the Company up to 31 August 2024 (calculated based on the Executive's remuneration package as at the Departing Executive Termination Date).
- 5.4 Tax will be deducted from the Exit Payments in accordance with an income tax directive to be obtained by the Company from the South African Revenue Service.
- 5.5 The Executive shall be entitled to his STI in the ordinary course for the financial year ended 30 September 2021.
- 5.6 The Executive shall be entitled to receipt of any LTI awards that vest prior to or on the implementation of the Transaction, including the pro rata portions of any LTI award that, as at the Departing Executive Termination Date, vests under the terms of the LTI scheme as a result of the Transaction.

The Departing Executive Termination Agreements are necessary to record and reflect the Executives' agreement to terminate their employment with the Company with effect from the Departing Executive Termination Date. However, the financial implications of the termination of the Executives' employment are not a function of these agreements to depart, but a function of the Executive's existing employment agreements (as well as the terms of the Arrowhead Shareholder approved LTI scheme) that set out the amounts to which an Executive is entitled in the circumstances. These terms have been recorded in the Departing Executive Termination Agreements for completeness and to avoid any future dispute as to these financial implications.

6. Borrowing powers of the directors

- 6.1 The directors may from time to time, borrow for the purpose of the Company such sums as they think fit, secure the payment or repayment of any such sums or any other sum, as they think fit, whether by the creation and issue of debentures, mortgage or charge upon all or any of the property or assets of the Company, make such regulations regarding the issue and transfer of debentures and all such other matters incidental to the debentures as the directors think fit provided that the directors shall not, without the consent of a resolution of Arrowhead Shareholders in a combined general meeting which resolution will require at least 75% of the votes exercisable by AHA Shareholders and AHB Shareholders entitled to vote at such combined general meeting be cast in favour thereof, permit the Company's debt gearing levels to exceed 50% of the value of its property portfolio as independently valued from time to time.
- 6.2 The aggregate principal amount at any one time outstanding in respect of moneys borrowed or raised by the Company (other than by way of debentures) and Subsidiaries of the Company (excluding moneys borrowed or raised from any other Subsidiary but including amounts secured by outstanding guarantees or suretyships by the Company or any of its Subsidiaries), shall not exceed the aggregate amount at that time authorised to be borrowed or secured by the directors of the Company's listed holding company in respect of that holding company.
- 6.3 Further information related to the borrowing powers of the directors are set out in **Annexure 5**.
- 6.4 The directors' borrowing powers have never been exceeded during the previous three years.
- 6.5 There are no exchange control or other restrictions on the borrowing powers of Arrowhead.

7. Interests of directors and promoters

- 7.1 Save as in relation to their holding of Fairvest Shares as disclosed in paragraph 2 above, none of the other directors of Arrowhead will benefit directly or indirectly, in any manner as a consequence of the implementation of the Transaction.
- 7.2 Other than as set out in paragraph 2 above, no directors or proposed directors of Arrowhead, including a director who resigned during the last 18 months, has or had any material beneficial interest, direct or indirect, in any transactions that were effected by Arrowhead during the current or immediately preceding financial year or during any earlier financial year and which remain in any respect outstanding or unperformed.
- 7.3 No amount has been paid, or is accrued as payable, within the preceding three years, or proposed to be paid to any promoter or to any partnership, syndicate or other association of which he is or was a member and no other benefit has been given or proposed to be given to such promoter, partnership, syndicate or other association within the said period.

- 7.4 None of the directors or promoters of Arrowhead have received any material beneficial interest, direct or indirect, in the promotion of the Company and its properties during the three years preceding the Last Practicable Date. This includes a partnership, company, syndicate or other association.
- 7.5 No amount has been paid, or agreed to be paid, within the three years preceding the Last Practicable Date, to any director of Arrowhead or Fairvest, or to any company in which he or she is beneficially interested, directly or indirectly, or of which he or she is a director (the "**Associate Company**") or to any partnership, syndicate or other association of which he is a member (the "**Associate Entity**"), in cash, securities or otherwise, by any person, either to induce him to become, or to qualify him as a director or otherwise for services rendered by him or by the Associate Company or the Associate Entity in connection with the promotion of Arrowhead.

8. Directors and proposed directors' declarations

- 8.1 None of the directors of Arrowhead or proposed directors of the Combined Group have been involved in:
 - 8.1.1 any bankruptcies, insolvencies or individual voluntary compromise arrangements of such person;
 - 8.1.2 any business rescue plans and/or resolution proposed by any entity to commence business rescue proceedings, application having been made for any entity to begin business rescue proceedings, notices having been delivered in terms of section 129(7) of the Companies Act, receiverships, compulsory liquidations, creditors' voluntary liquidations, administrations, company voluntary arrangements or any compromise or arrangement with creditors generally or any class of creditors of any company; where such person is or was a director, with an executive function within such company at the time of, or within the 12 months preceding, any such event(s);
 - 8.1.3 any compulsory liquidations, administrations or partnership voluntary arrangements of any partnerships where such person is or was a partner at the time of or within the 12 months preceding such event(s);
 - 8.1.4 receiverships of any asset(s) of such person or of a partnership of which the person is or was a partner at the time of, or within the 12 months preceding, such event;
 - 8.1.5 any public criticisms of such person by statutory or regulatory authorities, including recognised professional bodies, and whether such person has ever been disqualified by a court from acting as a director of a company or from acting in the management or conduct of the affairs of any company;
 - 8.1.6 any offence involving dishonesty committed by such person;
 - 8.1.7 a removal from an office of trust, on the grounds of misconduct and involving dishonesty; and
 - 8.1.8 any court order declaring such person delinquent or placing him under probation in terms of section 162 of the Act and/or section 47 of the Close Corporations Act, No. 69 of 1984 or disqualifying him to act as a director in terms of section 219 of the Companies Act.
- 8.2 None of the directors of Arrowhead or proposed directors of the Combined Group have been:
 - 8.2.1 disqualified by a court from acting as a director of a company, or from acting in the management or conduct of the affairs of any company as described in section 7.B of the Listings Requirements;
 - 8.2.2 put into liquidation or been placed under business rescue proceedings or had an administrator or other executor appointed during the period when he/she was (or within the preceding 12 months had been) one of its directors, or alternate directors or equivalent position;
 - 8.2.3 adjudged bankrupt or sequestrated in any jurisdiction;
 - 8.2.4 a party to a scheme of arrangement or made any other form of compromise with his/her creditors;
 - 8.2.5 found guilty in disciplinary proceedings, by an employer or regulatory body, due to dishonest activities;
 - 8.2.6 barred from entry into any profession or occupation; and
 - 8.2.7 convicted in any jurisdiction of any criminal offence, or an offence under legislation relating to the Companies Act.

9. Terms of office

- 9.1 A summary of the existing service arrangements between Darren Wilder and Jacques Kriel and Fairvest is set out below:

9.1.1 *Darren Wilder*

Pursuant to the Fairvest Manco internalisation, Darren Wilder became employed directly by Fairvest as the CEO of Fairvest pursuant to a letter of appointment between Darren Wilder and Fairvest in terms of which, *inter alia*, the parties agreed to a 24-month lock-in in that employment is terminable on six months' notice but neither party will give notice in the 18 months after commencement of employment.

9.1.2 *Jacques Kriel*

Jacques Kriel is currently employed by Fairvest as Chief Financial Officer of Fairvest, however currently has no formal written service contract in place with Fairvest.

- 9.2 Details of the remuneration payable to the proposed directors of the Combined Group is set out in paragraph 3.5 of this **Annexure 3**.
- 9.3 With regards to Darren Wilder and Jacques Kriel, it is anticipated that their existing employment arrangements detailed above with the Combined Group will remain unchanged.

CURRENT AND PAST DIRECTORSHIPS

Current directors of Arrowhead and proposed directors of the Combined Group

The table below lists the companies and partnerships of which each director and proposed director of Arrowhead is currently a director or partner as well as the companies and partnerships of which each such director or proposed director was a director or partner over the five years preceding the Last Practicable Date.

Current director	Current directorships and partnerships	Past directorships and partnerships held in the last five years
Mark Kaplan	Arrowhead Properties Limited, Arrowgem Limited, Cumulative Properties Limited, Moolgem Proprietary Limited, Gemgrow Asset Management Proprietary Limited, Arrowhead Prop I Proprietary Limited, Vividend Income Fund Limited, Vividend Management Group Proprietary Limited, Clearwater Crossing Proprietary Limited, Fluxrab Investments No. 196 Proprietary Limited, 18FKF Investments Proprietary Limited, ERF 493-497 Morningside Homeowners Association NPC	Arrowhead Nominees Proprietary Limited Indluplace Properties Limited
Junaid Limalia	Arrowhead Properties Limited, Arrowgem Limited, Cumulative Properties Limited, Gemgrow Asset Management Proprietary Limited, Moolgem Proprietary Limited, Vividend Income Fund Limited, Educomm Solutions Proprietary Limited, Limalia Property Holdings Proprietary Limited	–
Taffy Adler	Indluplace Properties Limited, Arrowhead Properties Limited, Makhulong a Matala Community Development Services NPC, TUHF21 Proprietary Limited, Braamfontein Improvement District NPC, Umastandi Proprietary Limited, TUFH Limited, TUHF Holdings Limited, TUHF Equity Proprietary Limited, TUHF Bridge Proprietary Limited, Arrowhead Nominees Proprietary Limited	Arrowgem Limited
Arnold Basserabie	Arrowhead Properties Limited, Derbit SA Proprietary Limited, Kalon Venture Partners Proprietary Limited, Kalon Management Company Limited, Kalon Venture Partners Fund II Limited, Kalon Management Company II Limited, Kanvestic Proprietary Limited, Afrika Tikkun NPC, Hard Racquets No. 3 Investments Proprietary Limited, Houghton Community Active Protection NPC, Oak Properties Proprietary Limited, Beyachad Properties Proprietary Limited, Cobra COVID Business Rescue Assistance NPC	Wits University Donald Gordon Medical Centre Proprietary Limited
Gregory Kinross	Arrowhead Properties Limited, Cell Network Proprietary Limited, Copper Sunset Trading 329 Proprietary Limited, Evolve Biosciences SA 1 Proprietary Limited, Evolve Biosciences SA 2 Proprietary Limited, Innovate Strategic Investments 7 Proprietary Limited, Spring Tide Trading Proprietary Limited, Zendascape Proprietary Limited, ERF 774 Morningside Extension 64 Home Owners Association, Impact Plus Trading 150 Proprietary Limited, Innovo Capital Proprietary Limited, Merchant Capital Advisory Services Proprietary Limited, Merchant Capital Debtco (RF) Proprietary Limited, Strongo Proprietary Limited, Lepidocarpodendron CC	Indluplace Properties Limited, South African Zionist Federation NPC, Genesis Innovo Capital Proprietary Limited, Southern Palace Genesis Proprietary Limited, SP Access Proprietary Limited, Khumo Africa Capital Proprietary Limited

Current director	Current directorships and partnerships	Past directorships and partnerships held in the last five years
Nozipho Makhoba	Arrowhead Properties Limited, Phumelela Real Estate Investments Proprietary Limited, Phumelela Real Estate Holdings Proprietary Limited, Phumelela Real Estate Developments Proprietary Limited, Noz Squared Properties Proprietary Limited, Swiss RE Africa Limited, Acuturex Proprietary Limited	JHI Retail Proprietary Limited
Sam Mokorosi	Arrowhead Properties Limited, Makhulong A Matala Community Development Services Proprietary Limited, JSE Private Placements Proprietary Limited, Asili Beauty Proprietary Limited, Mokorosi Financial Consulting Proprietary Limited, Johannesburg Housing Company	Arrowgem Limited, Vunani Sponsors Proprietary Limited, Mergence Corporate Solutions Proprietary Limited, Southern Energy Trading Proprietary Limited, Karsam Property Investments Proprietary Limited, Barakabora Products Proprietary Limited
Alon Kinkel	Moolgem Proprietary Limited, Kesef Investments Proprietary Limited, Exceptional Diamonds Proprietary Limited, Elancerz Proprietary Limited, Acuity Art Advisory Proprietary Limited, Gemgrow Asset Management Proprietary Limited	Arrowhead Properties Limited, Arrowgem Limited, K2012190864 Proprietary Limited, Cumulative Properties Limited
Riaz Kader	Vividend Income Fund Limited, Arrowhead Prop I Proprietary Limited, Cumulative Properties Limited, Clearwater Crossing Proprietary Limited, Vividend Management Group Proprietary Limited, Fluxrab Investments No. 196 Proprietary Limited, Arrowgem Limited	Arrowhead Properties Limited

Proposed Director	Current directorships and partnerships	Past directorships and partnerships held in the last five years
Darren Wilder	Erf 4383 Murray House CC, FPP Property Venture 103 Proprietary Limited, Riverside Property Syndication Limited, Fairvest Property Holdings Limited, New Star Asset Management Proprietary Limited, Before The Wind Investments 94 Proprietary Limited	Bara Precinct Proprietary Limited
Jacques Kriel	Qumbu Plaza Proprietary Limited, South View Shopping Centre Proprietary Limited, Libode Shopping Centre Proprietary Limited, Bara Precinct Proprietary Limited, FPP Property Venture 102 Proprietary Limited, FPP Property Venture 103 Proprietary Limited, Parow Valley Centre Proprietary Limited, Macassar Retail Centre Proprietary Limited, Fairvest Property Management Proprietary Limited, Fairvest Properties Two Proprietary Limited, Fairvest Property Holdings Limited, Channelprops 29 Proprietary Limited, Polpoint Share Block Limited, RW Boerdery Proprietary Limited	Mount Frere Shopping Centre Proprietary Limited
Jacques du Toit	Cohesive Capital Proprietary Limited, New Star Asset Management Proprietary Limited, Fairvest Property Management Proprietary Limited, Cohesive Capital CC, Fairvest Properties Two Proprietary Limited, Eight Roses Properties Proprietary Limited, Fairvest Property Holdings Limited, Charlia Eiendomme CC, Spotprops 48 Proprietary Limited, Syndicate 607 CC, Henren Beleggings Proprietary Limited, Panama Holdings Proprietary Limited	–
Louis Andrag	Scarlet Sun 56 Proprietary Limited, Tygervalley Improvement District NPC, Protolith Properties Proprietary Limited, Bellville Church of the Cross Proprietary Limited, Agrico Machinery Proprietary Limited, Ferreira Broers Proprietary Limited, Darling Cellars Proprietary Limited, Drivequip Proprietary Limited, Spotprops 48 Proprietary Limited, Darling Cellars Holdings Proprietary Limited, Fairvest Property Holdings Limited, Anicol Properties Proprietary Limited, Andlou Trading Proprietary Limited, Green Earth Energy Efficient Lighting Manufacturing Proprietary Limited	Basson Farming Proprietary Limited
Ndabezinhle Mkhize	Fairvest Property Holdings Limited Busamed Proprietary Limited Sire Capital Proprietary Limited IG Markets South Africa Limited (Incorporated in England and Wales)	–
Khegu Nkuna	Phyro Business Investments CC, Izintsikelelo Online Marketing CC, Sunlark High Props Proprietary Limited, Masingita Towers Proprietary Limited, Masingita Facilities Management Services Proprietary Limited, Masingita Jacobs Burnard Proprietary Limited, Eris Masingita Proprietary Limited, Amelocel Proprietary Limited, Zoviblox Proprietary Limited, Izintsikelelo Online Marketing Proprietary Limited, Mahahlwa Debt Collectors Proprietary Limited, Reboni Furniture Factory Proprietary Limited, Sindawonye Granulators and Processors Proprietary Limited, Vlaming Proprietary Limited, Fairvest Property Holdings Limited, Italite Investments Proprietary Limited, Xitlati Investments Holdings Proprietary Limited, Masingita Property Investment Holdings Proprietary Limited, Capstone 632 Proprietary Limited, Marble Gold 182 Proprietary Limited, Ama Casa Props 64 Proprietary Limited, Concl-Usive Mining Components Proprietary Limited, Centuria 368 Proprietary Limited, Masingita Properties No 2 Proprietary Limited, Masingita Property Services Proprietary Limited	Spring Lights 1184 CC

Proposed Director	Current directorships and partnerships	Past directorships and partnerships held in the last five years
Jacob Wiese	Caro Art Proprietary Limited, Southern View Finance SA Holdings Proprietary Limited, Navy Sky Investments 201 Proprietary Limited, Ceta Trading Proprietary Limited, Coala Bear Trading Proprietary Limited, Carbide Resources VC 1 Proprietary Limited, Zenco Investments Proprietary Limited, Fundex Investments Proprietary Limited, JDW Vintage Collection Proprietary Limited, 12 Apostles Properties Proprietary Limited, K2019197451 (South Africa) Proprietary Limited, Shoprite Holdings Limited, VRE Investments Proprietary Limited, Schonegevel Holdings Proprietary Limited, FI Operations Proprietary Limited, Invicta Holdings Limited, Lourensford Fruit Company Proprietary Limited, Dorsland Diamante Proprietary Limited, Titan Share Dealers Proprietary Limited, Wiesfam Trust Proprietary Limited, Tradehold Limited, Toerama Proprietary Limited, Titan Manor Proprietary Limited, Titan Nominees Proprietary Limited, Titan Premier Investments Proprietary Limited, Titan Group Investments Proprietary Limited, Titan Asset Management Proprietary Limited, Worldquest Investment Resources Proprietary Limited, Matrix Development Proprietary Limited, Tomil Holdings Proprietary Limited, Wikalox Investments Proprietary Limited, Titan Global Investments Proprietary Limited, Granadino Investments Proprietary Limited, Cenfund Investments Proprietary Limited, Thibault Square Financial Services Proprietary Limited, Titan Portfolio Proprietary Limited, Titan Financial Services Proprietary Limited, FI Funding And Investments Holdco Proprietary Limited, Brisktrade 113 Proprietary Limited, Fairvest Property Holdings Limited, Lourensford Leasing Proprietary Limited, Lourensford Properties Proprietary Limited, Lourensford Holdings Proprietary Limited, FI Funding And Investments Finance Proprietary Limited, Lourensford Sawmills Proprietary Limited, Radaj 2 Proprietary Limited, Metcap 5 Proprietary Limited, Lourensford Financial Services Proprietary Limited, Lourensford Events Proprietary Limited, Oryx Management Services Proprietary Limited, Oryx Game Farming Proprietary Limited, Luna Group Proprietary Limited, Lourensford Marketing Proprietary Limited, Titan Trademarks Proprietary Limited, Lourensford Winery Proprietary Limited, CWP Wine Brands Proprietary Limited, Xantium Trading 326 Proprietary Limited, Frejen Proprietary Limited, Titan Funding (RF) Proprietary Limited, Seven Seasons Trading 144 Proprietary Limited, Move-On-Up 289 Proprietary Limited, Misty Mountain Trading 86 Proprietary Limited, Afropulse 500 Proprietary Limited, Auburn Avenue Trading 142 Proprietary Limited, Auburn Avenue Trading 144 Proprietary Limited, Alenti 254 Proprietary Limited, Alenti 252 Proprietary Limited, Incaprox Investments Proprietary Limited, Incapart Investments Proprietary Limited, Lavender Sky Investments 38 Proprietary Limited, Lavender Sky Investments 37 Proprietary Limited, Mayborn Investments 143 Proprietary Limited	International Mining and Dredging Holdings Proprietary Limited, Bish Proprietary Limited, Mettle Solar (RF) Proprietary Limited, Amalinde Technologies Proprietary Limited, Steinhoff International Holdings N.V., Cape Town 7 Properties Proprietary Limited, Mettle Solar Investments Proprietary Limited, Tefco Investments Proprietary Limited, Own My Ride Proprietary Limited, Pepkor Holdings Limited, K2019197451 (South Africa) Proprietary Limited, K2020711324 (South Africa) Proprietary Limited, Greenpoint Specialised Lending Proprietary Limited, TTM SA Investments Proprietary Limited, Lourensford Trout Farming Proprietary Limited, Pepkor Holdco Proprietary Limited, Texton Property Fund Limited, Greenpoint Capital Proprietary Limited, Premier Group Proprietary Limited, Auburn Avenue Trading 143 Proprietary Limited, Bon View Trading 164 Proprietary Limited
Nozipho Makhoba	As above	As above
Arnold Basserabie	As above	As above

Current and past directorships of directors of Major Subsidiaries

The table below lists the companies and partnerships of which each director of Indluplace, being a Major Subsidiary of Arrowhead, is currently a director or partner as well as the companies and partnerships of which each such director was a director or partner over the five years preceding the Last Practicable Date.

Director	Current directorships and partnerships	Past directorships and partnerships held in the last five years
Petrus Carel de Wit	Indluplace Properties Limited, Indluplace Property Services Proprietary Limited, Aloegate Proprietary Limited, Aptotrim Proprietary Limited, Barvicarl Investments Proprietary Limited, Helen Joy Holdings Proprietary Limited, NDF Investment and Trading Proprietary Limited, Pundos Investments Proprietary Limited, Sunnysore Trade and Investment 103 Proprietary Limited, Erf 737 Rosettenville Proprietary Limited, G and N Tarn Enterprises Proprietary Limited, Jika Properties Proprietary Limited, Karavas Proprietary Limited, Kenwyn Flats Proprietary Limited, Earls Den Proprietary Limited, Radzyn Investments Shareblock Proprietary Limited, Teaca Properties Proprietary Limited, Erf 427 Windsor Proprietary Limited, Indluprop I Proprietary Limited, Indluprop II Proprietary Limited, Diluculo Properties Proprietary Limited, Yieldex 7 Proprietary Limited, Yieldex 12 Proprietary Limited, Yieldex 11 Proprietary Limited, Yieldex 10 Proprietary Limited, Unlocked Properties 21 Proprietary Limited, Resico Proprietary Limited, Myso Holdings Proprietary Limited, Ekaya Neighbourhood City Improvement District NPC, Windsor Community Support Services NPC	Houghton Mansions Proprietary Limited, Monks Court Proprietary Limited, Park Chambers Share Block Proprietary Limited, Triad Proprietary Limited
Terence Kaplan	Indluplace Properties Limited, Indluplace Property Services Proprietary Limited, Aloegate Proprietary Limited, Aptotrim Proprietary Limited, Barvicarl Investments Proprietary Limited, Helen Joy Holdings Proprietary Limited, NDF Investment and Trading Proprietary Limited, Pundos Investments Proprietary Limited, Sunnysore Trade and Investment 103 Proprietary Limited, Erf 737 Rosettenville Proprietary Limited, G and N Tarn Enterprises Proprietary Limited, Jika Properties Proprietary Limited, Karavas Proprietary Limited, Kenwyn Flats Proprietary Limited, Earls Den Proprietary Limited, Radzyn Investments Shareblock Proprietary Limited, Teaca Properties Proprietary Limited, Erf 427 Windsor Proprietary Limited, Indluprop I Proprietary Limited, Indluprop II Proprietary Limited, Diluculo Properties Proprietary Limited, Yieldex 7 Proprietary Limited, Yieldex 12 Proprietary Limited, Yieldex 11 Proprietary Limited, Yieldex 10 Proprietary Limited, Unlocked Properties 21 Proprietary Limited, Resico Proprietary Limited, Myso Holdings Proprietary Limited	Houghton Mansions Proprietary Limited, Monks Court Proprietary Limited, Park Chambers Share Block Proprietary Limited, Triad Proprietary Limited
Grant Harris	Indluplace Properties Limited; Indluplace Property Services Proprietary Limited, Realty Worx Trade and Invest Proprietary Limited, K2015338682 (South Africa) Proprietary Limited, 2015339280 (South Africa) Proprietary Limited	Wildfire Trading 137 Proprietary Limited, IHS Property Management Proprietary Limited, Anlumar Investments Proprietary Limited,
Taffy Adler	As per previous table	As per previous table
Selwyn Noik	Indluplace Properties Limited	Arrowhead Properties Limited, Arrowgem Limited

Director	Current directorships and partnerships	Past directorships and partnerships held in the last five years
Ayesha Rehman	Indluplace Properties Limited, Just Toys CC	Arrowhead Properties Limited, ApexHi Properties Limited, Makhulong A Matla Community Development Services, Terrace Road Housing Co-Operative, Dzulani Housing Company Proprietary Limited, Johannesburg Housing Company, Chair of Mitja Investments
Clifford Abrams	Indluplace Properties Limited, DEE WhyAre Textiles CC, Alig Financial Services CC, LAS Tax and Secretarial Services CC, Oxbridge Online Limited, RJCA Administration CC, Voltex SA CC, Gemgrow Properties Limited	Arrowhead Properties Limited, Explorer Group Proprietary Limited, Industrial Credit Company Africa Holdings Limited, Old Co-Fire Control Systems Proprietary Limited
Nindiphiwe Tetyana	Indluplace Properties Limited, Kuhle Konke Primary Agricultural Co-operative Limited, Biginsolar Proprietary Limited, Biginsolar OM Proprietary Limited, Lesedi ED NPC, Letsatsi ED NPC, Sankovest Proprietary Limited, Zini Consulting Services Proprietary Limited	–

EXTRACTS OF MEMORANDUM OF INCORPORATION OF ARROWHEAD

The salient terms of the MOI are set out below. The details below are a direct extract from the MOI, as amended.

1. Interpretation

- 1.1 **"Act"** means the Companies Act, No. 71 of 2008, as amended, consolidated or re-enacted from time to time, and includes all schedules to such Act and the regulations;
- 1.2 **"A ordinary share"** means an A ordinary share of no par value in the share capital of the company having the rights and restrictions set out, *inter alia*, in clauses 7.2, 34 and 40;
- 1.3 **"A ordinary share distribution(s)"** means a distribution declared in respect of an A ordinary share calculated with reference to clause 34.4;
- 1.4 **"A ordinary shareholder"** means the holder of an issued A ordinary share who is entered as such in the securities register, subject to the provisions of section 57;
- 1.5 **"B ordinary share"** means a B ordinary share of no par value in the share capital of the company having the rights and restrictions set out, *inter alia*, in clauses 7.2, 34 and 40;
- 1.6 **"B ordinary shareholder"** means the holder of an issued B ordinary share who is entered as such in the securities register, subject to the provisions of section 57;
- 1.7 **"board"** means the board of directors from time to time of the company or if there is only one director, then that director;
- 1.8 **"business day"** means any day excluding a Saturday, Sunday or public holiday in South Africa;
- 1.9 **"certificated securities"** means securities issued by the company that are not uncertificated securities;
- 1.10 **"Central Securities Depository"** has the meaning set out in section 1 of the Financial Markets Act;
- 1.11 **"Commission"** means the Companies and Intellectual Property Commission established by section 185;
- 1.12 **"company"** means the company named on the first page of this document, duly incorporated under the registration number endorsed thereon;
- 1.13 **"CPI"** means the Consumer Price Index for all income groups for all items as published by Statistics South Africa (or its successor-in-title), provided that if the aforesaid Index is discontinued or modified it shall be replaced by such index as determined by the company's auditors from time to time;
- 1.14 **"designated date"** means either the first designated date or the second designated date as the case may be;
- 1.15 **"director"** means a member of the board of the company as contemplated in section 66, or an alternate director, and includes any person occupying the position of a director or alternate director, by whatever name designated;
- 1.16 **"electronic communication"** has the meaning set out in section 1 of the Electronic Communications and Transactions Act, No 25 of 2002;
- 1.17 **"file"** or **"filed"** when used as a verb, means to deliver a document to the Commission in the manner and form, if any, prescribed for that document;
- 1.18 **"Financial Markets Act"** means the Financial Markets Act, 19 of 2012, including any amendment, consolidation or re-enactment thereof;
- 1.19 **"financial year"** means the twelve month period from 1 October to the last day of September, incorporating the first income period and the second income period;
- 1.20 **"first designated date"** means 31 March in each year, being the end of the first six months of the financial year;
- 1.21 **"first income period"** means the six-month period from 1 October to 31 March of each calendar year or such other period as may be determined by the board of directors of the company from time to time;

- 1.22 **"IFRS"** means the International Financial Reporting Standards, as adopted from time to time by the board of the International Accounting Standards Board from time to time;
- 1.23 **"income period"** means the first income period or the second income period as the case may be;
- 1.24 **"JSE"** means the exchange, licensed under the Financial Markets Act, operated by the JSE Limited (Registration number 2005/022939/06), a public company duly incorporated in South Africa;
- 1.25 **"JSE Listings Requirements"** means the Listings Requirements of the JSE applicable from time to time;
- 1.26 **"participant"** has the meaning set out in section 1 of the Financial Markets Act;
- 1.27 **"prescribed officer"** means a person who, within the company, performs any function that has been designated by the Minister in terms of section 66(10), as defined in the Act;
- 1.28 **"prime rate"** means the publicly quoted prime overdraft rate of interest of the bankers of the company (the "bank") from time to time, nominal annual, compounded monthly as certified by any branch or more senior manager of that bank, whose appointment and designation it shall not be necessary to prove, and whose determination of the rate shall be proof of that rate until the contrary is established;
- 1.29 **"redeemable share"** means an ordinary redeemable of no par value share in the share capital of the company, having the preferences, rights, limitations and other terms associated with such share, as set out in schedule 1 hereto;
- 1.30 **"regulations"** means the regulations published in terms of the Act from time to time;
- 1.31 **"rules"** means any rules made in respect of the company from time to time as contemplated in section 15(3) to (5);
- 1.32 **"second designated date"** means 30 September in each year, being the end of the second six month period of the financial year;
- 1.33 **"second income period"** means the six-month period from 1 April to 30 September of each calendar year or such other period as may be determined by the board of directors of the company from time to time;
- 1.34 **"securities"** means: any share, notes, bonds, debentures or other instruments, irrespective of their form or title, issued, or authorised to be issued, by a profit company for the purpose of raising capital; or anything falling within the meaning of "securities" as set out in section 1 of the Financial Markets Act and includes shares held in a private company;
- 1.35 **"securities register"** means the register contemplated in section 50(1) and referred to in clause 7.21 hereof;
- 1.36 **"SENS"** means the Stock Exchange News Service established and operated by the Issuer Regulation Division of the JSE provided that, in the event that the shares or other securities of the company are not listed on the JSE, all the provisions of this Memorandum of Incorporation relating to the publication of notices via SENS shall no longer apply and such notices shall thereafter only be published in accordance with the provisions of the Act;
- 1.37 **"share"** means one of the units into which the proprietary interest in the company is divided, and includes an "A" ordinary share and/or a "B" ordinary share and/or a "redeemable share" as indicated by the context;
- 1.38 **"shareholder"** means the holder of a share and who is entered as such in the securities register, subject to the provisions of section 57;
- 1.39 **"solvency and liquidity test"** has the meaning attributed thereto in section 4;
- 1.40 **"South Africa"** means the Republic of South Africa;
- 1.41 **"sub-register"** means the record of uncertificated securities administered and maintained by a participant, which forms part of the company's register of shareholders in terms of the Act;
- 1.42 **"trading day"** means any day on which the JSE (or any other exchange on which the securities of the company are listed) is open and available for trading;
- 1.43 **"uncertificated securities"** means any "securities" defined as such in the Financial Markets Act; and
- 1.44 **"uncertificated securities register"** means the record of uncertificated securities administered and maintained by a participant or Central Securities Depository, as determined in accordance with the rules of the Central Securities Depository, and which forms part of the company's securities register established and maintained in terms of the Act.

7. Issue of shares and variation of rights

- 7.1 Subject to any relevant provisions of this Memorandum of Incorporation and without prejudice to any special rights previously conferred on the holders of any existing shares or class of shares in the company, any shares whether in the initial or in any increased capital may be issued with such preferred, deferred, or other special rights or such restrictions, whether in regard to dividend, voting, return of capital or otherwise, as the company may from time to time determine provided however that there shall be no restriction on the transfer of shares, subject to the remaining provisions of this clause 7. Preference shares may be issued and existing shares may, subject to the provisions of clause 7.4.5, be converted into preference shares on the basis that they are, or at the option of the company are liable, to be redeemed on such terms and in such manner as shall be prescribed in this Memorandum of Incorporation or the resolution authorising or effecting such issue or conversion.
- 7.2 The company is authorised to issue:
- 7.2.1 1 000 000 000 A ordinary shares each of which ranks *pari passu* in respect of all rights with the other A ordinary shares;
 - 7.2.2 2 000 000 000 B ordinary shares, each of which ranks *pari passu* in respect of all rights with the other B ordinary shares; and
 - 7.2.3 such number of each of such further classes of shares as are set out in schedule 1 hereto subject to the preferences, rights, limitations and other terms associated with each such class set out therein.
- 7.3 Save as provided in this clause 7, clause 34 and clause 40 of this Memorandum of Incorporation, all issued shares shall rank *pari passu* in all respects.
- 7.4 The board shall not have the power to:
- 7.4.1 create any class of shares; or
 - 7.4.2 increase or decrease the number of authorised shares of any class of the company's shares; or
 - 7.4.3 consolidate and reduce the number of the company's issued and authorised shares of any class; or
 - 7.4.4 subdivide its shares of any class by increasing the number of its issued and authorised shares of that class without an increase of its capital; or
 - 7.4.5 convert one class of shares into one or more other classes, save where a right of conversion attaches to the class of shares created; or
 - 7.4.6 reclassify any classified shares that have been authorised but not issued; or
 - 7.4.7 classify any unclassified shares that have been authorised but not issued; or
 - 7.4.8 change the name of the company; or
 - 7.4.9 vary any preferences, rights, limitations or other terms of any shares, and such powers shall only be capable of being exercised by the shareholders by way of a special resolution of the shareholders in general meeting, which for the avoidance of doubt shall be a combined general meeting of all shareholders, subject to the statutes, the JSE and the remaining provisions of this Memorandum of Incorporation.
- 7.5 Each share issued by the company has associated with it an irrevocable right of the shareholder to vote on any proposal to amend the preferences, rights, limitations and other terms associated with that share.
- 7.6 Subject to and without limitation to the provisions of clause 7.4, 7.8 and 7.20, the authorisation and classification of shares, the creation of any class of shares, the conversion of one class of shares into one or more other classes (unless otherwise provided by the terms of issue of the shares of that class), the consolidation of securities, the sub-division of securities, the change of the name of the company, the increase of number of shares, and the variation of any preferences, rights, limitations and other terms associated with each class of shares as set out in this Memorandum of Incorporation may be changed only by an amendment of this Memorandum of Incorporation by special resolution of the shareholders at a combined general meeting and in accordance with the JSE Listings Requirements, to the extent required, save if such an amendment is ordered by a court in terms of section 16(1)(a) and 16(4).

- 7.7 Notwithstanding anything to the contrary contained herein, the variation of any preference, rights, limitations and other terms associated with any class of shares as set out in this Memorandum of Incorporation may be enacted only by an amendment of this Memorandum of Incorporation by special resolution of the shareholders at a combined general meeting and such amendments shall not be implemented without a special resolution taken by the holders of shares in that class at a separate meeting. In such instances the holders of such shares will also be allowed to vote at the combined general meeting of shareholders, subject to clause 20.2.
- 7.8 No shares may be authorized in respect of which the preferences, rights, limitations or any other terms of any class of shares may be varied in response to any objectively ascertainable external fact or facts as provided for in sections 37(6) and 37(7) and the powers of the board are limited accordingly.
- 7.9 The company may only issue shares which are fully paid up and freely transferable and only within the classes and to the extent that those shares have been authorised by or in terms of this Memorandum of Incorporation.
- 7.10 The board may, subject to clauses 7.11 and 7.16, resolve to issue shares of the company at any time, but only within the classes and to the extent that those shares have been authorised by or in terms of this Memorandum of Incorporation.
- 7.11 Subject to clauses 7.10 and 7.16, the board may not issue unissued shares unless such shares have first been offered to existing shareholders of the shares of that class in proportion to their shareholding of that class of shares (on such terms and in accordance with such procedures as the board may determine), unless the relevant issue of shares:
- 7.11.1 is a capitalisation issue to all shareholders in accordance with the provisions of clause 13; or
 - 7.11.2 is for the acquisition of assets, is a vendor consideration placing related to an acquisition of assets, or is an issue for the purposes of an amalgamation or merger; or
 - 7.11.3 is an issue pursuant to options or conversion rights; or
 - 7.11.4 is an issue in terms of an approved share incentive scheme; or
 - 7.11.5 is an issue of shares for cash (as contemplated in the JSE Listings Requirements), which has been approved by the shareholders by ordinary resolution, either by way of a general authority (which may be either conditional or unconditional) to issue shares in its discretion or a specific authority in respect of any particular issue of shares, in accordance with the JSE Listings Requirements, provided that, if such approval is in the form of a general authority to the directors, it shall be valid only until the next annual general meeting of the company or for 15 months from the date of the passing of the ordinary resolution, whichever is the earlier, and it may be varied or revoked by any general meeting of the shareholders prior to such annual general meeting or the expiry of the aforesaid 15-month period; or
 - 7.11.6 otherwise falls within a category in respect of which it is not, in terms of the JSE Listings Requirements, a requirement for the relevant shares to be so offered to existing shareholders of that class; or
 - 7.11.7 is otherwise undertaken in accordance with an authority approved by ordinary shareholders in general meeting, provided that if any fraction of a share will have to be issued pursuant to such an offer, the treatment of such fraction of a share and any associated payment to shareholders will be governed by the JSE Listings Requirements.
- 7.16 Notwithstanding anything to the contrary contained in this Memorandum of Incorporation, any issue of shares, securities convertible into shares, or rights exercisable for shares in a transaction, or a series of integrated transactions shall, in accordance with the provisions of section 41(3), require the approval of the shareholders by special resolution if the voting power of the class of shares that are issued or are issuable as a result of the transaction or series of integrated transactions will be equal to or exceed 30% (thirty percent) of the voting power of all the shares of that class held by shareholders immediately before that transaction or series of integrated transactions.
- 7.17 Except to the extent that any such right is specifically included as one of the rights, preferences or other terms upon which any class of shares is issued or otherwise provided in this Memorandum of Incorporation, no shareholder shall have any pre-emptive or other similar preferential right to be offered or to subscribe for any additional shares in the unissued share capital of the company.
- 7.18 For so long as there are both A and B ordinary shares in issue by the company, unless otherwise agreed to by ordinary resolution of the holders of A ordinary shares in general meeting, the total number of A ordinary shares in issue may never exceed the total number of B ordinary shares in issue.

- 7.19 In addition to the provisions of clause 7.7 and notwithstanding anything to the contrary contained in this Memorandum of Incorporation, no resolution of shareholders or resolution of the board of directors either converting A ordinary shares to B ordinary shares or *vice versa* or into any other class of shares, or in terms of which any class of shares is redeemed in whole or in part, shall be of any force or effect, unless with the consent or resolution passed in the same manner as a special resolution of both the holders of the A ordinary shares and the B ordinary shares taken at a separate general meeting of the A ordinary shareholders and a separate general meeting of the B ordinary shareholders. The provisions of this Memorandum of Incorporation relating to a general meeting shall *mutatis mutandis* apply to any such separate general meeting except that:
- 7.19.1 the necessary quorum shall be a shareholder or shareholders of the class present in person, or represented by proxy and holding in excess of 50% of the capital paid or credited as paid on the issued shares of that class;
 - 7.19.2 if at any adjourned meeting of such holders a quorum as above defined is not present, those holders who are present shall be a quorum; and
 - 7.19.3 any holder of shares of the class present in person or represented by proxy may demand a poll and, on a poll, shall have 1 vote for each share of the class of which he is the holder.
- 7.20 Securities in each class for which a listing is applied on the JSE must rank *pari passu* in respect of all rights.
- 7.21 The A ordinary shares may be redeemed, in whole or in part, *pro rata* or otherwise, on or after 14 December 2016, by way of a resolution of the board of directors (the "**redemption resolution**"), provided that the board shall not be authorised to pass a redemption resolution without the consent of a resolution of shareholders at a combined general meeting, which resolution will require at least 75% of the combined votes exercisable by A ordinary shareholders and B ordinary shareholders present in person or by proxy or representative and entitled to vote at such combined general meeting being cast in favour thereof. If so redeemed by way of redemption resolution, the A ordinary shares shall be redeemed by the company at the volume weighted average sales price of an A ordinary share (as shown by the official price list published by the JSE) over the 60 trading days immediately preceding the date on which the redemption resolution is passed. The procedure to be followed by the company in regard to the redemption shall be determined by the company at the appropriate time and be approved by the JSE. Not less than 6 weeks' notice of redemption shall be given to all A ordinary shareholders prior to any redemption being effected. Any redemption of the A ordinary shares shall be effected in accordance with the timetable determined in terms of the JSE Listings Requirements.

18. Meetings of shareholders

- 18.7 Each annual general meeting of the company contemplated in clause 18.5 or any special general meeting of the Company may provide for the passing and adoption of special resolutions, contemplated in clauses 27.1 and 27.4 of this Memorandum of Incorporation, relating to the following business:
- 18.7.1 the determination of Directors' remuneration for the 2 (two) year period following the annual general meeting or special general meeting at which the resolution is approved; and
 - 18.7.2 the granting of financial assistance in terms of section 45.
- 18.11 Not less than 15 business days' notice shall be delivered to all shareholders registered at the date of issue of the notice of meetings called for the passing of a special resolution and not less than 15 business days' notice shall be delivered to all shareholders for the passing of an ordinary resolution, calculated as of the record date for the meeting as determined under clause 16. Notices of general or annual general meetings are to be delivered to each person entitled to vote at such meeting who has elected to receive such documents.
- 18.12 The quorum requirement for a meeting of shareholders to begin or for a matter to be considered are at least three shareholders present in person. In addition, the quorum requirement for a meeting of shareholders is as set out in section 64(1) and accordingly:
- 18.12.1 a meeting of shareholders may not begin until sufficient persons are present at the meeting to exercise, in aggregate, at least 25% of the voting rights that are entitled to be exercised in respect of at least one matter to be decided at the meeting; and
 - 18.12.2 a matter to be decided at a meeting of shareholders may not begin to be considered unless sufficient persons are present at the meeting to exercise, in aggregate, at least 25% of all of the voting rights that are entitled to be exercised in respect of that matter at the time the matter is called on the agenda.

20. Votes of shareholders

- 20.1 Subject to any special rights or restrictions as to voting attached to any shares by or in accordance with this Memorandum of Incorporation, at a meeting of the company:
- 20.1.1 every shareholder present and entitled to exercise voting rights shall be entitled to one vote on a show of hands, irrespective of the number of voting rights that shareholder would otherwise be entitled to exercise; and
 - 20.1.2 on a poll any person who is present at the meeting, whether as a shareholder or as proxy for a shareholder, has the number of votes determined in accordance with the voting rights associated with the shares held by that shareholder. No objection shall be raised to the admissibility of any vote except at the meeting or adjourned meeting at which the vote objected to is or may be given or tendered and every vote not disallowed at such meeting shall be valid for all purposes. Any such objection shall be referred to the chairperson of the meeting, whose decision shall be final and conclusive;
 - 20.1.3 the holders of securities other than "A" and "B" ordinary shares shall not be entitled to vote on any resolution at a meeting of shareholders, except as provided in clause 20.2.
- 20.2 The holders of shares, other than "A" and "B" ordinary shares or any shares created for the purpose of black economic empowerment in terms of the Broad-Based Black Economic Empowerment Act, 53 of 2003 or the Broad-Based Black Economic Empowerment Codes of Good Practice, ("**affected shareholders**") shall not be entitled to vote on any resolution taken by the company other than:
- 20.2.1 during any special period, as provided for in clause 20.2.3 below, during which any dividend, any part of any dividend on such shares or any redemption payment thereon remains in arrears and unpaid; and/or
 - 20.2.2 in regard to any resolution proposed for the winding-up of the company or the reduction of its capital;
 - 20.2.3 the period referred to in clause 20.2.1 above shall be the period commencing on a day specified in this Memorandum of Incorporation, if any, not being more than six months after the due date of the dividend or redemption payment in question or, where no due date is specified, after the end of the financial year of the company in respect of which such dividend accrued or such redemption payment became due;
- and provided that where the shares held by such affected shareholders ("**affected shares**") are entitled to vote, they shall not carry any special rights or privileges and the affected shareholder shall be entitled to one vote for every affected share held provided that the total voting rights of the affected shareholders in respect of the affected shares shall not be more than 24,99% (twenty-four comma ninety-nine percent) of the total voting rights of all shareholders at such meeting.
- 20.3 Voting shall be conducted by means of a polled vote in respect of any matter to be voted on at a meeting of shareholders if a demand is made for such a vote by:
- 20.3.1 at least five persons having the right to vote on that matter, either as shareholders or as proxies representing shareholders; or
 - 20.3.2 a shareholder who is, or shareholders who together are, entitled, as shareholders or proxies representing shareholders, to exercise at least 10% of the voting rights entitled to be voted on that matter; or
 - 20.3.3 the chairperson of the meeting.

22. Resolutions of shareholders

- 22.1 For an ordinary resolution to be approved it must be supported by more than 50% of the voting rights of shareholders exercised on the resolution, as provided in section 65(7), unless otherwise stated in this Memorandum of Incorporation. Notwithstanding the foregoing, to the extent that the JSE Listings Requirements requires the support of a higher percentage of voting rights to be exercised in respect of any ordinary resolution, the company shall not implement such ordinary resolution unless such ordinary resolution is supported by the higher percentage of voting rights of shareholders required to be exercised on that resolution in terms of the JSE Listings Requirements.
- 22.2 For a special resolution to be approved it must be supported by the holders of at least 75% of the voting rights exercised on the resolution, as provided in section 65(9).
- 22.3 No matters, except
- 22.3.1 those matters set out in section 65(11); and

- 22.3.2 any other matter required by the Act or this Memorandum of Incorporation to be resolved by means of a special resolution; or
- 22.3.3 for so long as the company's securities are listed on the JSE, any other matter required by the JSE Listings Requirements to be resolved by means of a special resolution in terms of the JSE Listings Requirements, require a special resolution adopted at a meeting of shareholders of the company.
- 22.4 In the event that any shareholder abstains from voting in respect of any resolution, such shareholder will, for the purposes of determining the number of votes exercised in respect of that resolution, be deemed not to have exercised a vote in respect thereof (i.e. that shareholders' votes will neither be included in the aggregate number of votes cast nor in the total number of votes exercised in favour of or against that resolution).

24. Composition and powers of the board of directors

- 24.1 The board must comprise at least four directors (or such greater number of directors, if any, that the company must have to satisfy any requirement in terms of the Act to appoint an audit committee and a social and ethics committee), and the shareholders shall be entitled to determine such maximum number of directors as they from time to time shall consider appropriate.
- 24.2 Subject to clauses 24.3, 24.4 and 24.5, all directors shall be elected by an ordinary resolution of the shareholders at a general or annual general meeting of the company and no appointment of a director in accordance with a resolution passed in terms of section 60 shall be valid.
- 24.9 Apart from satisfying the qualification and eligibility requirements set out in section 69 of the Act, a person need not satisfy any eligibility requirements or qualifications to become or remain a director or a prescribed officer of the company.
- 24.10 A director shall cease to hold office as such if:
 - 24.10.1 he becomes insolvent, or assigns his estate for the benefit of his creditors, or suspends payment or files a petition for the liquidation of his affairs, or compounds generally with his creditors;
 - 24.10.2 he becomes of unsound mind;
 - 24.10.3 in the case of an executive director who is an employee of the company, his employment relationship with the company is terminated for whatsoever reason, including but not limited to, resignation, retirement, misconduct or otherwise;
 - 24.10.4 he is prohibited from being, is removed as or is disqualified from acting as a director of a company in terms of the Act;
 - 24.10.5 he is required to do so in terms of the JSE Listings Requirements;
 - 24.10.6 subject to section 71, he absents himself from meetings of the board for 6 (six) consecutive months without the leave of the other directors and is not represented at such meetings during such 6 (six) months by an alternate director, and the directors resolve that his office shall be vacated, provided that the directors shall have the power to grant any director leave of absence for an indefinite period;
 - 24.10.7 he has given 1 (one) month's (or with the permission of the directors, a lesser period) notice in writing of his intention to resign;
 - 24.10.8 he is removed under clause 24.11; or
 - 24.10.9 the board resolved to remove him in accordance with section 71(3).
- 24.11 The company may by ordinary resolution in accordance with clause 24.10.8 and section 71(2), remove any director before the expiration of his period of office and by an ordinary resolution elect another person in his stead. The person so elected shall hold office until the next annual general meeting of the company and shall then retire and be eligible for re-election.
- 24.12 The directors shall rotate in accordance with the following provisions of this clause 24.12:
 - 24.12.1 at each annual general meeting referred to in clause 18.5, 1/3 (one third) of the directors for the time being, or if their number is not 3 or a multiple of 3, the number nearest to 1/3 (one third), but not less than 1/3 (one third), shall retire from office;
 - 24.12.2 the directors to retire in every year shall be those who have been longest in office since their last election, but as between persons who became directors on the same day, those to retire shall, unless they otherwise agree among themselves, be determined by lot;

- 24.12.3 a retiring director shall be eligible for re-election;
 - 24.12.4 a retiring director shall act as a director throughout the annual general meeting at which he retires;
 - 24.12.5 the company, at the general meeting at which a director retires in the above manner, or at any other general meeting, may fill the vacancy by electing a person thereto, provide that the company shall not be entitled to fill the vacancy in accordance with clause 23;
 - 24.12.6 if at any meeting at which an election of directors ought to take place the offices of the retiring directors are not filled, unless it is expressly resolved not to fill such vacancies, the meeting shall stand adjourned and the further provisions of this Memorandum of Incorporation, including clauses 18.13 to 18.16 (inclusive) will apply, *mutatis mutandis*, to such adjournment, and if at such adjourned meeting the vacancies are not filled, the retiring directors, or such of them as have not had their offices filled, shall be deemed to have been re-elected at such adjourned meeting.
- 24.20 A director may hold any other office or place of profit under the company (except that of auditor or company secretary) or any subsidiary of the company in conjunction with the office of director, provided that the appointment, duration and remuneration (in addition to the remuneration to which he may be entitled as a director) in respect of such other office must be determined by a disinterested quorum of directors.
- 24.21 A director of the company may be employed in any other capacity in the company or as a director or employee of a company controlled by or itself a major subsidiary of the company and, in such event, his appointment and remuneration in respect of such other office must be determined by a disinterested quorum of directors.

27. Directors' compensation and financial assistance

- 27.1 The company may pay remuneration to the directors for their services as directors in accordance with a special resolution approved by the company's shareholders within the previous two years, as set out in section 66(8) and (9), and the power of the company in this regard is not limited or restricted by this Memorandum of Incorporation.
- 27.2 Any director who:
- 27.2.1 serves on any executive or other committee; or
 - 27.2.2 devotes special attention to the business of the company; or
 - 27.2.3 goes or resides outside South Africa for the purpose of the company; or
 - 27.2.4 otherwise performs or binds himself to perform services which, in the opinion of the directors, are outside the scope of the ordinary duties of a director, may be paid such extra remuneration or allowances in addition to or in substitution of the remuneration to which he may be entitled as a director, as a disinterested quorum of the directors may from time to time determine.
- 27.3 The directors may also be paid all their travelling and other expenses necessarily incurred by them in connection with:
- 27.3.1 the business of the company; and
 - 27.3.2 attending meetings of the directors or of committees of the directors of the company.
- 27.4 The board may, as contemplated in section 45, authorise the company to provide financial assistance to a director, prescribed officer or other person referred to in section 45(2), and the power of the board in this regard is not limited or restricted by this Memorandum of Incorporation.

28. Chief executive officer

- 28.1 The directors may from time to time appoint one or more of their body to the office of chief executive officer for such term and at such remuneration as they may think fit, and may revoke such appointment subject to the terms of any agreement entered into in any particular case, provided that the period of office of a chief executive officer appointed in terms of an agreement shall be for a maximum period of five years at any one time. A director so appointed shall be subject to retirement in the same manner as the other directors, and his appointment shall terminate if he ceases for any reason to be a director.
- 28.2 Subject to the provisions of any contract between himself and the company, a chief executive officer shall be subject to the same provisions as to disqualification and removal as the other directors of the company.

28.3 The directors may from time to time entrust to and confer upon a chief executive officer for the time being such of the powers exercisable in terms of this Memorandum of Incorporation by the directors as they may think fit, and may confer such powers for such time and to be exercised for such objects and purposes, and upon such terms and conditions, and with such restrictions, as they think expedient; and they may confer such powers either collaterally with or to the exclusion of and in substitution for all or any of the powers of the directors in that behalf, and may from time to time revoke, withdraw, alter or vary all or any of such powers.

30. **Borrowing powers**

30.1 Subject to the provisions of clause 30.3, all other provisions of this Memorandum of Incorporation the directors may from time to time:

30.1.1 borrow for the purpose of the company such sums as they think fit;

30.1.2 secure the payment or repayment of any such sums or any other sum, as they think fit, whether by the creation and issue of debentures, mortgage or charge upon all or any of the property or assets of the company;

30.1.3 make such regulations regarding the issue and transfer of debentures and all such other matters incidental to the debentures as the directors think fit, provided that the directors shall not, without the consent of a resolution of shareholders in a combined general meeting which resolution will require at least 75% of the votes exercisable by A ordinary shareholders and B ordinary shareholders entitled to vote at such combined general meeting be cast in favour thereof, permit the company's debt gearing levels to exceed 50% of the value of its property portfolio as independently valued from time to time.

30.2 No special privileges as to:

30.2.1 allotment of shares in the company; or

30.2.2 the attending and voting at general meetings; or

30.2.3 the appointment of directors, or otherwise, shall be given to the holders of debentures of the company except with the sanction of the shareholders in general meeting.

30.3 The directors shall procure (but as regards subsidiaries of the company only insofar as by the exercise of voting and other rights or powers of control exercisable by the company they can procure) that the aggregate principal amount at any one time outstanding in respect of moneys so borrowed or raised by -

30.3.1 the company (other than by way of debentures); and

30.3.2 all the subsidiaries for the time being of the company (excluding moneys borrowed or raised by any of such companies from any other of such companies but including the principal amount secured by any outstanding guarantees or suretyships given by the company or any of its subsidiaries for the time being for the share capital or indebtedness of any other company or companies whatsoever and not already included in the aggregate amount of the moneys so borrowed or raised), shall not exceed the aggregate amount at that time authorised to be borrowed or secured by the directors of the company's listed holding company (if any) in respect of that holding company.

34. **Distributions**

34.1 If the company resolves to declare a distribution to shareholders in respect of any income period, no such distribution may be declared by the company in respect of the B ordinary shares for such income period until the A ordinary share distribution has been declared in respect of the A ordinary shares for that income period, and no such distribution shall be paid by the company in respect of the B ordinary shares for such income period unless the relevant A ordinary share distribution has been paid.

34.2 The A ordinary shares shall not confer on the A ordinary shareholders the right to any distributions other than the A ordinary share distributions.

34.3 If the company resolves to declare a distribution to shareholders in respect of any income period, such distribution shall be paid no later than four months after the designated date in question or such shorter period as may be prescribed in terms of the JSE Listings Requirements.

34.4 The A ordinary share distribution for the A ordinary shares shall be calculated as follows:

34.4.1 in respect of the financial year ending 30 September 2018:

- 34.4.1.1 for the three months commencing 1 January 2018 and ending 31 March 2018, a distribution per A ordinary share equivalent to 105% of the distribution in respect of the equivalent period for the immediately preceding financial year;
- 34.4.1.2 for the second income period ending 30 September 2018, a distribution per A ordinary share equivalent to the A ordinary share distribution for the 6 months ended 30 September 2017 escalated by an amount equal to the lesser of 5% and the most recently available CPI figure;
- 34.4.2 in respect of the financial year ending 30 September 2019 and thereafter:
 - 34.4.2.1 for the first income period, a distribution per A ordinary share equivalent to the prior year's A ordinary share distribution for the first income period, escalated by an amount equal to the lesser of 5% and the most recently available CPI figure;
 - 34.4.2.2 for the second income period, a distribution per A ordinary share equivalent to the prior year's A ordinary share distribution for the second income period, escalated by an amount equal to the lesser of 5% and the most recently available CPI figure;
- 34.4.3 In the event that the company declares a distribution in an amount less than those amounts as determined in clauses 34.4.1 and/or 34.4.2 then in such event that lesser amount shall be paid for that period, apportioned *pro rata* to each "A" ordinary share in issue on the relevant record date. In the event that the "A" ordinary share distribution is less than the amount provided in clauses 34.4.1 and/or 34.4.2, as the case may be the difference in the amount paid and that which would have been payable in terms of clauses 34.4.1 and/or 34.4.2 as applicable, shall not accrue or accumulate to the "A" ordinary shareholders and there shall be no right to claim any shortfall.
- 34.4.4 In determining the A ordinary share distribution with reference to any prior period's distribution, the prior period's distribution shall be the determined or calculated distribution for the equivalent period in the prior year calculated in terms of clauses 34.4.1 and/or 34.4.2, whether or not such amount was paid having regard to the availability of funds.
- 34.5 The directors of the company shall for the purposes of calculation, be entitled in their discretion (subject to the statutes and the JSE Listings Requirements) to ignore or round off downward fractions of a cent in effecting payment of any A ordinary share distribution.
- 34.6 If there is any change in the financial year of the company, the company shall be and it is hereby authorised to change the dates from which A ordinary share distributions are calculated, fall due, accrue and/or become payable, provided that:
 - 34.6.1 the rights of A ordinary shareholders to A ordinary share distributions on their A ordinary shares shall not be diminished or adversely affected by such changes; and
 - 34.6.2 the company shall forthwith notify A ordinary shareholders of any changes made by notice in terms of clause 37 or if the A ordinary shares are listed on the JSE or any other exchange, on SENS (if listed on the JSE) or any other news service of the relevant exchange and in such other manner prescribed by the relevant exchange.
- 34.7 Any A ordinary share distribution declared but not paid on the due date therefor, shall bear interest from such date up to the date of payment (excluding date of payment), calculated and compounded on a daily basis at the Prime Rate plus 2%.
- 34.8 Distributions shall be declared by the directors in accordance with the Act.
- 34.9 Distributions may be declared either free of or subject to the deduction of income tax and any other tax or duty in respect of which the company may be chargeable.
- 34.10 Subject to clause 34.7 above, no distribution shall bear interest against the company, except as otherwise provided under the conditions of issue of the shares in respect of which such distribution is payable.
- 34.11 Subject to clause 34.4, the directors may from time to time declare and pay to the shareholders such interim distributions as the directors consider to be justified by the profits of the company.
- 34.12 All unclaimed dividends will be held by or on behalf of the company in trust for the benefit of the shareholder concerned until claimed, provided that, subject to the provisions of the Prescription Act, 68 of 1969, as amended from time to time and any other applicable laws of prescription, monies unclaimed for a period of 3 (three) years from the date on which they were declared (or such longer period as may be required under the laws of prescription) may be declared forfeited by the directors for the benefit of the company. The directors may at any time annul such forfeiture upon such conditions (if any) as they think fit.

34.18 A distribution may also be paid in any other way determined by the directors, and if the directives of the directors in that regard are complied with, the company shall not be liable for any loss or damage which a shareholder may suffer as a result thereof.

34.19 Any distribution may be paid wholly or in part:

34.19.1 by the distribution of specific assets; or

34.19.2 by the issue of shares, debentures or securities of the company or of any other company; or

34.19.3 in cash; or

34.19.4 in any other way which the directors or the company in general meeting may at the time of declaring the distribution determine.

34.20 Subject to the remaining provisions of this clause 34, where any difficulty arises in regard to such distribution, the directors may settle that difficulty as they think expedient, and in particular may fix the value which shall be placed on such specific assets on distribution.

34.21 The directors may:

34.21.1 determine that cash payments shall be made to any shareholder on the basis of the value so fixed in order to secure equality of distribution; and

34.21.2 vest any such assets in trustees upon such trusts for the benefit of the persons entitled to the distribution as the directors deem expedient.

34.22 All dividends must be made payable to shareholders registered as at a date subsequent to the date of declaration of the dividend or the date of confirmation of the dividend, whichever is the later date.

34.23 Payments to shareholders shall be made in accordance with the JSE Listings Requirements and must not provide that capital shall be repaid upon the basis that it may be called up again.

40. Subordination of B ordinary shares and repayment waterfall on winding-up of the company

If the company is wound up, the assets remaining after payment of debts and liabilities of the company and the costs of the liquidation shall be applied as follows:

Firstly:

40.1 each of the A ordinary shareholders shall be entitled to an amount equal to the volume weighted average traded sales price of an A ordinary share (as shown by the official price list published by the JSE) over the 60 trading days immediately preceding the date of publication of any announcement detailing events relating to such winding up;

thereafter:

40.2 each of the B ordinary shareholders shall be entitled to receive any surplus of such monies available for distribution.

DETAILS OF THE PROPERTY MANAGERS

1. Property managers of the Arrowhead property portfolio

Name:	Excellerate Real Estate Services Proprietary Limited (Registration number 2007/021131/07) trading as JHI, part of Cushman and Wakefield Excellerate
Address:	Excellerate on Summit, 3A Summit Road, Dunkeld West, 2196
Shareholder(s):	Excellerate Property Services Proprietary Limited (Registration number 2007/014372/07)
Directors:	Marna van der Walt, James Ernst Wellsted and Nomfundo Nomkosi Nomzamo Radebe
Functions performed:	JHI performs all duties that may be reasonably required of a manager and administrator of a property portfolio, including without limitation: • Budgets • Collectible income • Credit control • Leasing management • Maintenance and technical management • Account payments • Reporting and • Control procedures

The property management agreements will be available for inspection in terms of paragraph 9 of **Section 4**.

2. Property managers of the Fairvest property portfolio

Name:	Broll Property Group Proprietary Limited (Registration number 2008/027519/07)
Address:	Sixty One Katherine, 61 Katherine St, Sandown, Johannesburg, 2196 (PO Box 1455, Saxonwold, Gauteng, 2132)
Shareholder(s):	Malcolm Horne (as to 4%) BPG Seventy Four Proprietary Limited (as to 76%) K2019597625 (South Africa) (RF) Proprietary Limited (as to 20%)
Directors:	Jonathan David Broll Malcolm Jeffrey Horne Elscke Badenhorst Fariyal Mukaddam Royden David du Plooy
Functions performed:	To oversee, report on and manage the following processes and procedures: • Strategies, management and mandates • Control procedures • Leasing management and strategy • Deposits • Leases • Tenant installations • Invoices and monthly statements • Local authorities, electricity, water, refuse and sanitation • Expenses and disbursements • Credit control • Inspections, building works, maintenance, repairs and supervision • Compliance with laws and regulations • Arrears and legal matters • Records, financial reports, reporting and budgets • Receipting • Books of account • Tenants, tenant's association, rules and promotions

Name: Mainstream Property Group Proprietary Limited (Registration number: 2006/002364/07)
Address: 73 Richefond Circle, Ridgeside, Umhlanga, 4319
Shareholder(s): David Button (as to 30%)
Ivan Morris (as to 30%)
Lee-Ann Reid (as to 30%)
Khanyi Mthethwa (as to 10%)
Directors: David Thurston
Lee-Ann Reid
Ivan Henry Morris
Cornelia Nokanyiso Mthethwa
Functions performed: To oversee, report on and manage the following processes and procedures:

- Strategies, management and mandates
- Control procedures
- Leasing management and strategy
- Deposits
- Leases
- Tenant installations
- Invoices and monthly statements
- Local authorities, electricity, water, refuse and sanitation
- Expenses and disbursements
- Credit control
- Inspections, building works, maintenance, repairs and supervision
- Compliance with laws and regulations
- Arrears and legal matters
- Records, financial reports, reporting and budgets
- Receipting
- Books of account
- Tenants, tenants' association, rules and promotions

Name: Axis Asset Management Proprietary Limited (Registration number: 2011/102928/07)
Address: 125 Buitengracht Street, Cape Town, 8000
Shareholder(s): Gregor Klotz (as to 50%)
Ronen Mazor (as to 50%)
Directors: Gregor Klotz
Functions performed: To oversee, report on and manage the following processes and procedures:

- Strategies, management and mandates
- Control procedures
- Leasing management and strategy
- Deposits
- Leases
- Tenant installations
- Invoices and monthly statements
- Local authorities, electricity, water, refuse and sanitation
- Expenses and disbursements
- Credit control
- Inspections, building works, maintenance, repairs and supervision
- Compliance with laws and regulations
- Arrears and legal matters
- Records, financial reports, reporting and budgets
- Receipting
- Books of account
- Tenants, tenants' association, rules and promotions

Name: Abreal Proprietary Limited (Registration number: 1991/004365/07)

Address: Abcon House, Fairway Office Park, 52 Grosvenor Road, Bryanston, 2021

Shareholder(s): Abman Proprietary Limited Cert No. 18 (as to 25%)
Abman Proprietary Limited Cert No. 21 (as to 24%)
Abman Proprietary Limited Cert No. 22 (as to 51%)

Directors: Christiaan Johannes de Wet
David Stanley Savage

Functions performed: To oversee, report on and manage the following processes and procedures:

- Strategies, management and mandates
- Control procedures
- Leasing management and strategy
- Deposits
- Leases
- Tenant installations
- Invoices and monthly statements
- Local authorities, electricity, water, refuse and sanitation
- Expenses and disbursements
- Credit control
- Inspections, building works, maintenance, repairs and supervision
- Compliance with laws and regulations
- Arrears and legal matters
- Records, financial reports, reporting and budgets
- Receipting
- Books of account
- Tenants, tenants' association, rules and promotions

Name: AJ Property Holdings Proprietary Limited (Registration number: 2017/168593/07)

Address: Suite 2, Block B, Albert Lourens Park 793 King Cetshwayo Highway Sherwood, Durban, 4000

Shareholder(s): Ibex Property Holdings (as to 50%)
Yakov Yehohanan (as to 50%)

Directors: Jaco Odendaal
Shaun Welgemoed
Albert Lourens

Functions performed: To oversee, report on and manage the following processes and procedures:

- Strategies, management and mandates
- Control procedures
- Leasing management and strategy
- Deposits
- Leases
- Tenant installations
- Invoices and monthly statements
- Local authorities, electricity, water, refuse and sanitation
- Expenses and disbursements
- Credit control
- Inspections, building works, maintenance, repairs and supervision
- Compliance with laws and regulations
- Arrears and legal matters
- Records, financial reports, reporting and budgets
- Receipting
- Books of account
- Tenants, tenants' association, rules and promotions

The property management agreements will be available for inspection in terms of paragraph 9 of **Section 4**.

INDEPENDENT PROPERTY VALUERS' SUMMARY VALUATION REPORTS ON THE FAIRVEST PROPERTY PORTFOLIO

BROLL VALUATION AND ADVISORY SERVICES SUMMARY VALUATION REPORT

The Directors
 Arrowhead Properties Limited
 3rd Floor Upper Building
 1 Sturdee Avenue
 Rosebank
 2196

30 November 2021

BROLL VALUATION AND ADVISORY SERVICES SUMMARY VALUATION REPORT IN RESPECT OF CERTAIN PROPERTIES WITHIN THE FAIRVEST PROPERTY PORTFOLIO

Dear Sirs,

RE: INDEPENDENT PROPERTY VALUERS' REPORT OF THE PROPERTY PORTFOLIO FOR ARROWHEAD PROPERTIES LIMITED AS DETAILED IN THE SUMMARY SCHEDULE ATTACHED AND FOR WHICH THERE ARE DETAILED VALUATION REPORTS HELD BY ARROWHEAD PROPERTIES LIMITED

In accordance with your instruction dated the 27 September 2021, we confirm that we have visited and inspected the 11 properties listed in the attached schedule (the "**Properties**") during June, July and October 2021 and have received all necessary details required to perform an independent valuation in order to provide you with our opinion of the Market Value (as defined in paragraph 2 below) of each of the Properties as at the 30 June 2021 and 30 September 2021.

1. INTRODUCTION

This summary valuation report ("**Summary Valuation Report**") has been prepared in compliance with section 13.20 of the JSE Listings Requirements ("**Listings Requirements**") for inclusion in the revised listing particulars ("**Revised Listing Particulars**") accompanying a circular to shareholders of Arrowhead Properties Limited ("**Arrowhead**") in respect of the proposed acquisition of 100% of the issued share capital of Fairvest Property Holdings Limited ("**Fairvest**") by Arrowhead via a scheme of arrangement in terms of Section 114 of the Companies Act 2008 (Act 71 of 2008) ("**Transaction**"), in terms of the general provisions of Section 13 of the Listings Requirements ("**Section 13**").

Formal detailed written valuation reports ("**Valuation Reports**") have been compiled for each of the Properties and these reports have been issued to the nominated representatives of Arrowhead and are available for inspection as set out in Section 4, paragraph 9 of the Revised Listing Particulars.

The valuation of each of the Properties has been carried out by the nominated property valuer, Broll Valuation and Advisory Services Proprietary Limited ("**Broll**" or the "**Valuer**"), and the valuation process has been overseen by Roger Long, Registered Professional Valuer (No. 2649).

Employees of the Valuer having relevant valuation qualifications have inspected each of the Properties and careful consideration has been given to all matters pertaining to the requirements of Section 13 for the purposes of these valuations.

Each of the Valuation Reports submitted includes commentary on the nature of the Properties, locality, tenancy, risk profile, forward rent projections, earning capability and exposure to future expenses and property risk.

The Valuation Reports have further addressed the estimated income capability and expenditure for each Property taking into account contractual income at the date of valuation, annual escalations in contractual income and also expenditure estimates based on current recorded information and considered projections as to future increases in running and operating costs.

The values thus determined for each of the Properties indicates our opinion of the Market Value thereof at the date of valuation.

2. BASIS OF VALUATION

The basis of valuation for the Properties is Market Value.

Market Value is defined by the Royal Institution of Chartered Surveyors, The South African Institute of Valuers and the International Valuations Standards Committee as:

"The estimated amount for which a property should exchange on the date of Valuation between a willing buyer and a willing seller in an arm's length transaction after proper marketing, wherein the parties had acted knowledgeably, prudently and without compulsion."

3. VALUATION METHODOLOGY

We have used the traditional and internationally recognised Discounted Cash Flow ("**DCF**") method of valuation using the MRI Global Valuations (Previously Cougar 2006) to reach our opinion of value as outlined in this report.

This approach is generally considered the most applicable valuation technique for income-producing properties, where sufficient market data exists to supply the necessary inputs and parameters for this approach.

The DCF valuation method takes into account the time value of money between the Valuation Date (as defined in paragraph 20 below) and the date when the income stream theoretically reverts to market levels and is described as follows: The property is valued by discounting the expected future net income for a specific period at an appropriate discount rate (or total rate of return) to give the present value ("**PV**") of the expected net income cash flow. To this figure an applicable final discounted residual or reversionary value is added.

The reversionary value is calculated by the following method: The net market related income prevailing at the end of the cash flow projection period is capitalised at the appropriate rate and discounted to the present value by the discount rate.

The approach to determine the value of the solar PV installation at Sebokeng Plaza, Cosmos Centre and at Masingita Shopping Centre is also based on the DCF methodology, however the projected electricity savings or income is projected for the estimated life span of the installation of twenty-five (25) year period less forecast expenses (which include routine maintenance as well as inverter replacement) are then deducted from the income projections to arrive at the net annual income stream throughout the cash flow period.

This net annual income stream is then discounted and aggregated to determine an estimated net present value of the cash flow. No revisionary value is attributed at the end of the cash flow period as the installation would have reached the end of its useful life.

4. SPARE LAND

- Additional land/bulk land is available at Orange Farm and at Cosmos Centre.
- Orange Farm – the site includes additional bulk of 2,500m²;
- Cosmos Centre – the previous Erf 230, measuring 2,855m² in extent

The additional land/bulk land is valued using the comparable sales method, which is based on comparing the subject asset with identical or similar assets for which price information is available, such as a comparison with market sales transactions in the same, or closely similar, type of asset within an appropriate time horizon.

5. BRIEF DESCRIPTION

From visual inspection only, the improvements appear to be well built from quality robust traditional construction materials and finishes and are more fully described in the Valuation Reports.

6. VALUATION QUALIFICATIONS

Qualifications to our reported Market Values are usually detailed as a consequence of:

- leases under negotiation that have not yet been formalised;
- leases of a large nature where the premises are difficult to re-let;
- specialised properties;
- large exposure to a single tenant;
- potential tenant failure due to over-rent;

- expenses required for major repairs;
- maintenance or other exposure to maintain the lettability of the building;
- contingent expropriations or servitudes that may be enforced;
- poor lease recordals whereby the lease may be disputed or rendered invalid;
- Novel Coronavirus (COVID-19) and recent riots.

The outbreak of COVID-19, declared by the World Health Organisation as a "Global Pandemic" on 11 March 2020, has and continues to impact many aspects of daily life and the global economy – with some real estate markets having experienced lower levels of transactional activity and liquidity. Travel, movement and operational restrictions have been implemented by many countries. In some cases, "lockdowns" have been applied to varying degrees and to reflect further "waves" of COVID-19; although these may imply a new stage of the crisis, they are not unprecedented in the same way as the initial impact.

In addition, the recent riots and political unrest in KZN and Gauteng during the week of 11 July 2021 have served to cause further uncertainty in the property market.

In respect of the retail sector, as at the Valuation Date, we continue to be faced with an unprecedented set of circumstances caused by a combination of COVID-19 and the riots. This has resulted in an absence of relevant/sufficient market evidence on which to base our judgements. Our valuation of the property is therefore reported as being subject to "material valuation uncertainty" as set out in VPS 3 and VPGA 10 of the RICS Valuation –Global Standards. Consequently, in respect of this valuations less certainty –and a higher degree of caution – should be attached to our valuation than would normally be the case. For the avoidance of doubt this explanatory note, including the 'material valuation uncertainty' declaration, does not mean that the valuation cannot be relied upon. Rather, this explanatory note has been included to ensure transparency and to provide further insight as to the market context under which the valuation opinion was prepared.

In recognition of the potential for market conditions to move rapidly in response to changes in the control or future spread of COVID-19 we highlight the importance of the Valuation Date.

Red Book Global Standards define material uncertainty as '*where the degree of uncertainty in a valuation falls outside any parameters that might normally be expected and accepted*' (VPS 3.2.2 (o)). It also explains circumstances of material uncertainty to assist the valuation process (with additional guidance in VPGA 10), but the decision to declare it remains with the independent valuer'.

- The Build it and Standard Bank units were damaged during the recent riots and as these tenants are not trading, we have made the assumption that the damage as well as the loss of income is covered by SASRIA insurance and that the terms of the contractual leases will continue.

The Valuer is however not responsible for the competent daily management of these Properties that will ensure that this status is maintained, or for the change of any laws, services by local authority or economic circumstances that may adversely impact on the integrity of the buildings or the tenant profile.

7. OPTIONS OR BENEFIT/DETRIMENT OF CONTRACTUAL ARRANGEMENTS

To our knowledge there are no contractual arrangements on the Properties other than the leases as detailed in this report that have a major benefit or are detrimental to the fundamental value base of the Properties.

We reserve the right to amend our valuation should any findings alter or bring the validity of the lease/s into question.

To the best of our knowledge there are no options in favour of any parties for any purchase of the Properties.

8. INTRA-GROUP LEASES

Having inspected all the tenant schedules and leases it is noted that there are no intra-group or related party leases.

9. CURRENT STATE OF DEVELOPMENT

Not applicable.

10. PROPERTIES HELD FOR DEVELOPMENT

Fairvest has informed us that they are considering doing a redevelopment of the Orange Farm property by connecting the two freestanding buildings. This is still subject to letting and a feasibility study and we have therefore not taken this into consideration.

11. EXTERNAL PROPERTY

None of the Properties are situated outside the Republic of South Africa.

12. ALTERNATIVE USE FOR A PROPERTY

We have valued the Properties in accordance with their existing use which represents their Market Value. Thus alternative use values have not been reported for any of the Properties.

13. VALUATION ASSUMPTIONS

Generally, we are of the opinion that contractual rentals passing are market related for each Property. Certain reversions of market rentals have been determined by comparing the current contractual rentals of the various trading categories and sizes of shops available at each centre to various published indices including the South African Property Owners Association index, Rode Retail Report and the MSCI/IPD index. The rental rates have also been checked against our own database of similar centres previously valued. Please refer to our detailed reports, *Appendix – Tenancy Schedules* for a breakdown of our estimate of market rentals per Property.

We also provided for a structural vacancy of between 1 to 3% per Property, depending on historic vacancy, location, accommodation and existing tenant profile. This vacancy factor is a provision against possible tenant failure, sourcing of new tenants and or tenant relocations during the term of the cash flow. Provisions have been made for the letting up of space presently vacant within a sensible and reasonable time frame at an appropriate market rental.

Our estimates of current market rentals are based on our research of the latest available market letting transactions in the areas where the properties are situated. Where such information is either unavailable or limited, we have relied on our knowledge of the market and have also, where appropriate, had regard to rental statistics published by recognised organisations.

The assumptions regarding vacancy allowances and void periods for income lost due to the letting or re-letting of space for a particular node or centre have been made with reference to vacancy statistics published by recognised organisations as well as discussions with property managers and any negotiations that are currently underway with prospective tenants.

We have, to the best of our knowledge, considered all of these aspects in the valuation of all the Properties. There are no Properties that are prejudiced in value by the influence of the above factors.

The Valuer is however not responsible for the competent daily management of these Properties that will ensure that this status is maintained, or for the change of any laws, services by local authority or economic circumstances that may adversely impact on the integrity of the buildings or the tenant profile.

14. UNLET SPACE

Assumptions have been made in our valuations as to the likely letting up tempo of vacant accommodation generally and the estimated loss of income during the letting up periods of the affected properties is reflected in the DCF methodology adopted for the Properties.

15. INSPECTIONS, AREAS AND DIMENSIONS

All the Properties were inspected during the month of June, July and October 2021. No measured surveys have been carried out by us and we have relied on the floor and/or lettable areas provided to us by the nominated representatives of Fairvest. We have assumed that these areas are correct unless otherwise stated in the Valuation Report for a specific Property.

16. MATERIAL CONTRAVENTION OF STATUTORY REQUIREMENTS

We are not aware of any material contravention of any statutory requirement relating to the Properties.

17. FUTURE RENTALS

Save for considered assumptions being made with regard to vacant space and the renewal of leases, we confirm that the current rental income being achieved in the Properties does not materially differ from the estimated future rental income. Rentals used in our DCF valuations are based on the terms and conditions contracted in the leases. On expiry of each lease, we have assumed that they will revert to market related rentals. The market related rentals have been

determined by comparing similar buildings in comparable areas to the Properties valued. Due consideration was given to the extent of the lettable areas, their location within the buildings, and tenant profile in the determination of the reversionary market rentals. The market rentals have also been compared with rentals listed in various published benchmarking indices. Assumptions regarding the take up of vacant space at the assumed market rental follows a similar methodology as the assumptions made at lease renewal or expiry. These assumptions are detailed in our Valuation Reports and cash flows.

18. GENERAL PRINCIPLES OF VALUATIONS AND REPORTS

We list below the general principles upon which valuations and reports undertaken by Broll in South Africa are normally prepared and confirm that such principles shall apply in respect of the Properties forming the subject of the Valuation Reports, unless specifically mentioned otherwise:

Standards

We confirm our Valuation Reports have been completed in accordance with both international and local standards, namely:

- The Royal Institution of Chartered Surveyors, RICS Valuation and Appraisal Standards (the Red Book as amended).
- International Accounting Standards (IAS).
- International Valuation Standards Committee (IVSC, White Book).
- The rules and guidelines laid down by the South African Council for the Property Valuers Profession in accordance with the Valuers Act 2000.

Source of information and verification

Information on the Properties regarding rental income, recoveries, turnovers and other income detail has been provided to us by the current owners and their managing agents. Each valuation is based on the information which has been supplied to us or which we have obtained in response to our enquiries. We have relied on this information provided as being correct and complete and there being no undisclosed matters which would affect each valuation.

We have further compared certain expenditures given to us to market norms of similar properties and the historic expenditure levels of the properties themselves. Historical contractual expenditures and municipal services.

Full disclosure

The Valuation Reports have been prepared on the basis that full disclosure of all information and factors which may affect the valuations, has been made to ourselves and we cannot accept any liability or responsibility whatsoever for the valuations, unless such full disclosure has been made.

Freehold and leasehold title

In the case of both freehold and leasehold Properties we have inspected the relevant title deed documents made available to us. Where, as a result of our inspections, some points have caused us concern as to the title, we have referred specifically to them in the relevant Valuation Reports. Where the title deeds were not available we have assumed that good title can be shown and that the Property is not subject to any unusual or especially onerous restrictions, encumbrances or outgoings.

Leases

Paragraph 13.23(ix) of the Listings Requirements provides that a summary of the valuation report to be included in a pre-listing statement/prospectus or circular must include a "high level summary of the actual tenant's leases or sub leases".

We have had sight of anchor and large lease documentation as well as a standard line shop lease and high level summaries of these are included in our Valuation Reports. In preparing our cash flows we have had regard to the tenancy schedules provided and also to our assessment of current market rentals and escalation rates for the various elements of accommodation. Below are high level comments for each Property:

- Sebokeng Plaza: Approximately 74% of the GLA is let to National or National Franchise represented Tenant's with 26% being let to Local Tenant's. 66% of the income is generated by these National tenants, 34% from Local Tenants. Certain contractual rents have escalated above market.
- 212 Church Street: The property is single tenanted by Truworths. The contractual rent is market related.
- 425 West Street: Approximately 29% of the GLA is let to National or National Franchise represented Tenant's with 43% being let to Office Tenant's. One office unit is vacant. The contractual rents are market related.

- Cosmos Centre: Approximately 90% of the GLA is let to National or National Franchise represented Tenant's with 10% being let to Local Tenant's. Approximately 88% of the income is generated by these National tenants, 12% from Local Tenants. It is noted that there is one ATM vacancy of 6m². Certain contractual rents have escalated above market.
- Kim Park: Approximately 73% of the GLA is let to National or National Franchise represented Tenant's with 7% being let to Local Tenant's. Approximately 81% of the income is generated by these National tenants, 13% from Local Tenants. Certain contractual rents have escalated above market.
- Coronation Walk: Almost 35% of the GLA is let to National or National Franchise represented tenants with 59% being let to local tenants and 6% are offices. 33% of the income is generated by these National Tenants, 59% from Local Tenants with 8% from the offices. Certain contractual rents have escalated above market.
- Masingita Shopping Centre: Approximately 79% of the GLA is let to National or National Franchise represented Tenants with 15% being let to Local Tenants. 5.29 is currently vacant. 79% of the income is generated by these National Tenants, 19% from Local Tenants. Certain contractual rents have escalated above market.
- Orange Farm: The centre is currently let to two tenants Pick 'n Pay Boxer, Build it and Standard Bank ATM. We highlighted the Build it and Standard Bank units were damaged during the recent riots and as these tenants are not trading, we have made the assumption that the damage as well as the loss of income is covered by SASRIA insurance and that the terms of the contractual leases will continue. The contractual rents are market related.
- Qualbert Centre: Approximately 65% of the GLA is let to National or National Franchise represented Tenants with 35% being let to Local Tenants. 70% of the income is generated by these National Tenants, 25% from Local Tenants with 5% from the casual and monthly parkers. The contractual rents are market related. Approximately 78.01% of the GLA is let to National or National Franchise represented Tenant's with 21.99% being let to Local Tenant's.
- The Ridge Shopping Centre: Certain contractual rents have escalated above market. 55% of the GLA is let to National or National Franchise represented Tenants with 38% being let to Local Tenants. 49% of the income is generated by these National Tenants, 51% from Local Tenants. Certain contractual rents have escalated above market.

Outgoings

In estimating the applicable Property expenses we have relied on the budgets which have been provided to us by Fairvest for the forward 12 months commencing 1 July 2021. Thereafter we have assumed an expense growth rate of 6.0% per annum from 1 July 2022.

It is assumed, except where otherwise stated, that the Properties are subject to the normal landlord's outgoings and that there are no onerous restrictions or unusual covenants of which we have no knowledge.

Lessee's credibility

In arriving at our valuations, cognizance has been taken of the lessee's security and rating. In some cases this has influenced the capitalisation rate by way of a risk consideration.

Mortgage bonds, loans or other charges

The Properties have been valued as if wholly owned with no account being taken of any outstanding monies due in respect of mortgage bonds, loans or other charges. No deductions have been made in our valuations for the cost of acquisition or disposal of the asset. Our valuations exclude Value Added Tax ("VAT").

Calculation of areas

All areas quoted within the Valuation Reports are as provided.

Plans

All plans included within the Valuation Reports are supplied for the purpose of identification only and are not necessarily to scale.

Property boundaries

The site boundaries, as indicated to us by the instructing client or appointed agent, or the boundaries as indicated on plans supplied by others are assumed to be the legal extent of the Property. We do not take responsibility for any variation of these boundaries either by extension or omission, and the resultant inclusion or omission of any improvements as a result of any such variations.

Site conditions

Unless specifically requested, we do not carry out investigations on site in order to determine the suitability of ground conditions and services, nor do we undertake environmental, archaeological, or geo-technical surveys. Unless notified to the contrary, our valuations are on the basis that these aspects are satisfactory and also that the Properties are clear of underground mineral or other workings, or other hazardous or noxious substances.

Structural condition

In preparing our valuations we have had regard to the apparent state and condition of the improvements at the Properties but have not carried out structural surveys of the same and have not inspected those areas of the improvements which were covered, unexposed or inaccessible and neither have we arranged for the testing of electrical and mechanical equipment such as that installed in connection with reticulation of wiring for artificial lighting and power, heating, air conditioning and ventilation systems, elevators or any other engineering services at the Property. Unless otherwise stated in our reports the valuation assumes that the services and structures are in a satisfactory state of repair and condition.

Materials of construction

The valuations assume that no deleterious or hazardous materials or techniques were used in the construction of the improvements at the Property or have since been incorporated by way of extensions or additions thereto.

Contamination

In preparing our valuations we have assumed that no contaminative or potentially contaminative use is, or has been, carried out at the Property. Unless specifically instructed, we do not undertake any investigation into the past or present uses of either the Property or any adjoining or nearby land, to establish whether there is any potential for contamination from these uses and assume that none exist. However, should it subsequently be established that such contamination exists at any of the Properties or on any adjoining land or that any of the Properties have been, or is being put to, a contaminative use, then the value which we have reported may be detrimentally affected.

Statutory notice and unlawful use

We have assumed that the Properties and their values are unaffected by any statutory notice, and that neither the condition of the Properties, nor their use, nor their intended use, is or will be unlawful.

Town planning

Full town planning details have been supplied in the summary table attached to this Summary Valuation Report as well as the Valuation Reports including conditions and restrictions and the Properties have been checked against such conditions. This is to ensure that they comply with town planning regulations and title deeds. There do not appear to be any infringements of local authority regulations or deeds by any of the Properties.

The valuations have further assumed that the improvements at the properties have been erected in accordance with the relevant building and town planning regulations.

Certificate of compliance

We have assumed that Fairvest will, at its own expense, provide a certificate of compliance in terms of SANS 10142-1 – Code of Practice for Wiring Premises, issued by an accredited person certifying that the electrical installation of the premises is reasonably safe.

High voltage electricity supply apparatus and mobile phone installations

Research findings which have been the subject of media coverage in the last few years indicate that the health of the public occupying buildings located in close proximity to high voltage electrical supply equipment installations may be put at risk due to the presence of electromagnetic fields and radiation. Public perception may, therefore, affect marketability and future value of a property so located.

Synergistic value

We have not reflected in our valuations any element of “synergistic value” or “special purchaser value” which could possibly be realised by merger of the freehold and leasehold interests or by sale to an owner or occupier of an adjoining property.

Individual Properties

The values reported are for the individual Properties. No allowance is made for any premium which may be applicable for an assembled portfolio of Properties, nor is a discount allowed for any flooding of the market which might exist if all or a majority of the Properties were offered for sale simultaneously.

Confidentiality

The Valuation Reports are produced exclusively for Arrowhead and for the specific purposes to which they refer. They may be disclosed to your other professional advisers assisting you in respect of that purpose. We accept no responsibility whatsoever to any parties other than yourselves who make use of these valuations.

Partial holdings

The value of a partial holding is expressed as the percentage of the whole Property held. No premium or discount has been made for such partial holding.

Plant and machinery

Our valuation takes account of those items of plant and machinery normally associated with the valuation of land and buildings, such as standard air-conditioning plant, boilers, heating, sprinklers, ventilation systems and the like. Our valuation excludes information technology and process plant, machinery and fixtures and fittings that would normally be taken to be the property of the occupier.

Tax

No allowance is made in our valuation for liability to taxation, which may arise on acquisition or on disposal, whether actual or notional, e.g. VAT and Capital Gains Tax.

All rental and valuation calculations and figures reported are exclusive of VAT.

Transactional costs

Fairvest and Arrowhead's ("**Parties**") costs (such as agent's commission, legal fees, transfer fees etc) will differ from each other depending on the individual and specific circumstances of each Party.

No allowance has therefore been made in our valuation to reflect any Party's costs of sale or realisation of the Property asset.

Independent valuers' clause

Neither the employees of the Valuer, nor Broll, have any present or contemplated interest in the Properties valued or in any other Properties or other interests which would affect the statements or values contained in this Summary Valuation Report. The valuation enclosed herewith was therefore undertaken on a completely independent basis by an external valuer employed by Broll, a company which specialises in the valuation of real estate and plant and machinery assets, but which does not trade in any of those assets.

Non-publication

Neither the whole nor any part of this Summary Valuation Report, nor any reference thereto may be included in any published document, nor published in any way without our prior written approval as to the form or context in which it may appear. We do however, consent to the inclusion of this Summary Valuation Report, in the form and context in which they appears, in the Revised Listing Particulars.

Third party

This Summary Valuation Report is provided for the stated purpose and for the sole use of Arrowhead and Arrowhead shareholders. It is confidential to these parties and their professional advisors and consultants, and the Valuer accepts no responsibility whatsoever to any other person or third party.

19. VALUER FOR THE TRANSACTION

The valuation of each of the Properties has been carried out by the Valuer, and the valuation process has been overseen by Roger Long, Registered Professional Valuer No 2649/5.

Employees of the Valuer having relevant qualifications have inspected each of the Properties and careful consideration has been given to all matters pertaining to the requirements for the purposes of the valuations.

20. AGGREGATE MARKET VALUE OF THE SCHEDULED PROPERTIES

We are of the opinion that the aggregate Market Value of the 5 (five) income producing Properties, as detailed in Annexure A, as at **30 June 2021 ("June Valuation Date")** is:

- **R366 900 000 (three hundred and sixty-six million, nine hundred thousand Rand)**, excluding VAT.

We are of the opinion that the aggregate Market Value of the 6 (six) income producing Properties, as detailed in Annexure A, as at **30 September 2021 ("September Valuation Date")** is:

- **R404 800 000 (four hundred and four million, eight hundred thousand Rand)**, excluding VAT),

(the June Valuation Date and the September Valuation Date, jointly, the ("**Valuation Date**").

We confirm that to the best of our knowledge and belief there have been no material changes between the Valuation Date and the last practicable date of the Revised Listing Particulars, being 23 November 2021 in any circumstances relating to the Properties, which would affect the valuation thereof.

We confirm that we have no pecuniary or other related interest that would conflict with a proper valuation of the Properties, other than normal professional fees.

With 30 years' experience in property valuation, the undersigned is qualified to express a professional and independent opinion on the value of the Properties.

For and on behalf of

BROLL VALUATION AND ADVISORY SERVICES (PTY) LIMITED Reg No. 1968/003515/07
61 Katherine Street, Sandton, 2196

ROGER LONG FRICS MIV (SA)
Chartered Valuation Surveyor

RICS Registered Valuer (59664)
Professional Valuer (2649/5)

Professional Valuer registered with the South African Council for the Professional Valuers Profession (SACPVP).

ANNEXURE A: INCOME-PRODUCING PROPERTIES – 30 JUNE 2021

Registered No. description	Name	Type	Address	Date of physical inspection	Effective date of valuation	Market value	Site/Section Area (hectares)	GLA (m ²)	Description and existing use	Age of building	Tenure	Tenure of leasehold (if any)	Zoning, town planning and statutory contravention (if any)
1.	Portions 3, 4 and 7 of Erf 65558 Sebokeng Unit 10 Ext. 1, Gauteng Province	Neighbourhood Centre	Along an unnamed street off the arterial route Moshoeshoe Street, in the Sebokeng township of Vanderbijl Park	2 July 2021	30 June 2021	R72 000 000	24 085.00	11 386.50	Building – Retail	~20 years	Freehold	n/a	Business
2.	Erf 5169, Bethal, Mpumalanga Province	Other Retail	39 Du Plooy Street, on the corner of Du Plooy and Eufees Streets, in central Bethal	24 June 2021	30 June 2021	R80 800 000	12 800.00	4 692.00	Building – Retail	15 years. Built in 2006	Freehold	n/a	General Mixed Use
3.	Portion 1 of Erf 2564 and Portion 18 of Erf 2521 Pietermaritzburg, KwaZulu-Natal Province	High Street Retail	Corner of Church and Timber Street, Pietermaritzburg	1 June 2021	30 June 2021	R36 800 000	840 000.00	1 980.00	Building – Retail	~50 years. Refurbished in 2005	Freehold	n/a	General Business1 Sub-zone
4.	Re And Portion 1 of Erf 11014, Erf 11016 And Portions 1, 2 And 3 of Erf 11017 Durban, KwaZulu-Natal Province	Mixed Use	425 West Street also known as Dr Pixley Kasame Street, Durban	1 June 2021	30 June 2021	R59 900 000	3 511.00	8 736.85	Building – Retail/ Office	~60 years. 1934 historic façade on Dr Pixley Kasame Street	Freehold	n/a	General Business Central Zone
5.	Erf 16428 Kimberley, Northern Cape Province	Neighbourhood Centre	R64 – Lemox Street, Sydney Street and Chapel Street in the Kimberley CBD	1 July 2021	30 June 2021	R117 400 000	11 715.00	9 301.52	Building – Retail	35 Years. Built in 1985, refurbished in 2012	Freehold	n/a	Business 1
						TOTAL		R366 900 000					

ANNEXURE A: INCOME-PRODUCING PROPERTIES – 30 SEPTEMBER 2021

Registered		Name			Type		Address		Date of physical inspection		Effective date of valuation		Market value		Site/section area (hectares)		GLA (m²)		Description and existing use		Age of building		Tenure		Tenure of leasehold (if any)		Zoning, town planning and statutory contravention (if any)	
No.	description																											
1.	Erf 971, 974, 975 and 976, Queensburgh, KwaZulu-Natal Province	Coronation Walk	Other Retail	Corner Main Road and Coronation Road, Queensburgh	13 June 2021	30 September 2021	R51 300 000	6 599.00	3 047.40	Buildings – Retail	~20 years	Freehold	n/a	General Commercial														
2.	Remaining Extent of Erf 12025 and Portion 1 of Erf 12025, Durban, KwaZulu-Natal Province	Qualbert Centre	Other Retail	Corner Albert Road (Ingcube) and Victoria (Bertha Mkhize) Street, Durban	13 June 2021	30 September 2021	R77 900 000	3 172.00	4 683.60	Buildings – Retail	~ 50 years	Freehold	n/a	General Business														
3.	Portion 1 of Erf 566, Giyani-D, Limpopo Province	Masingita Shopping Centre	Other Retail	Corner of R81 and Main Road, Giyani-D	1 October 2021	30 September 2021	R74 600 000	13 552.00	5 364.27	Buildings – Retail/ Office	~30 years	Freehold	n/a	Business 1 Use Zone 6														
4.	Sections 4 and 6 of The Scheme Known As The Ridge 143/2003 and Section 8 The Scheme Known As The Ridge 271/2005, Gauteng Province	The Ridge Shopping Centre	Neighbourhood Centre	Corner of Paul Kruger Avenue and Mozart Avenue in Honeydew Ridge, Roodepoort	11 October 2021	30 September 2021	R67 100 000	4 767.00	4 663.31	Buildings – Retail/ Office	~20 years	Section title	n/a	Business 1														
5.	Erf 15800, Orange Farm Ext. 4, Gauteng Province	Orange Farm	Other Retail	Corner of Link Road and Palm Drive, Orange Farm	8 October 2021	30 September 2021	R27 500 000	17 479.00	2 685.00	Buildings – Retail	17 years. built in 2004	Freehold	n/a	Business 1														
6.	Erf 21188, Shoshanguve South Ext. 7, Gauteng Province	Southview Shopping Centre	Neighbourhood Centre	Dwarf Sanjika Street (to the north), Pisolite Street (to the west), Umlala Street (to the south) and Barret Minnon Street (to the east), Shoshanguve	6 October 2021	30 September 2021	R106 400 000	18 635.00	7 689.00	Buildings – Retail	Three years. Built in 2018	Freehold	n/a	Special														
TOTAL														R404 800 000														

ANNEXURE B: INCOME-PRODUCING PROPERTIES – 30 JUNE 2021

Zoning, town planning and statutory contravention

No.	Name	Zoning, town planning and statutory contravention (if any)
1.	Sebokeng Plaza	Business Permitted uses: Shops, business purposes (including a Bookmaker shop and five limited gambling machines), residential buildings, places of public worship, places of instruction, social halls, sports and recreational purposes, institutions. Floor Area Ratio: n/a Coverage: 70% Height: 3 storeys Parking: 4 spaces per 100m² of shopping floor area Building Lines: 2m on all boundaries
2.	Cosmos Centre	General Mixed Use Floor Area Ratio: 4 Coverage: 80% Height: 6 Parking: As per Scheme Building Lines: 0 meters
3.	212 Church Street	General Business 1 Sub-zone Floor Area Ratio: Four storeys Coverage: 100% Height: Controlled by 60-degree light angle Parking: No statutory on-site requirement and no access is permitted save with the special consent of the Council Building Lines: All Buildings and structures shall be established on the street boundary or the indicated road widening lane
4.	425 West Street	General Business Central Zone Floor Area Ratio: 8 Coverage: Not applicable Height: 59 degrees from opposite side of road 110m with 5m setback at 15m Parking: Maximum of 1 bay per 100m² of gross floor area, no minimum Building Lines: None
5.	Kim Park	Business 1 Permitted uses: Hotels, guest houses, places of refreshment, shops, business premises, dwelling units, residential building, place of amusement, places of worship including funeral parlours with chapels, places of instruction, dry cleaners, public garages, parking, car wash, social halls. Floor Area Ratio: 6 Coverage: 90% Height: 12.2. No building or structure of whatever nature may be erected on any Erf situated within the Southern Big Hole Height Restriction Area, shall exceed a height forming a greater incline than 0°57'20", measured from the Big Hole Pivot Point as demonstrated in the sketch in Clause 12.3. below, unless approved by the controlling authority. Parking: 6 parking spaces per 100m² of gross leasable floor area. The municipality may relax this on approval of a site development plan. Building Lines: Street 4.5m; Rear 2m; Side 2m

ANNEXURE B: INCOME PRODUCING PROPERTIES – 30 SEPTEMBER 2021

Zoning, town planning and statutory contravention

No.	Name	Zoning, town planning and statutory contravention (if any)
1.	Coronation Walk	General Commercial Permitted uses: Primary: Action Sports Bar, Arts and Crafts Workshop, Betting Depot, Crèche, Conservation Area, Display Area, Dwelling House*, Educational Establishment, Flat*, Flea Market, Health and Beauty Clinic, Health Studio, Hotel, Laundry, Motor Display Area, Museum Office, Office – Medical, Parkade, Pet Grooming Parlour, Place of Public Entertainment, Private Open Space, Public Open Space, Restaurant/Fast Food Outlet, Shop, Veterinary Clinic Floor Area Ratio: 1.0 Coverage: 80% Height: 4 storeys Parking: As per scheme Building Lines: 0m Side Space: 3m Rear Space: 3m
2.	Qualbert Centre	General Business Action Sports Bar, Adult Premises, Arts and Crafts Workshop, Betting Depot, Boarding House, Conservation Area, Convention Centre, Crèche, Display Area, Educational Establishment, Escort Agency, Exhibition Centre, *Flat, Flea Market, Fuelling and Service Station, Government/Municipal, Health and Beauty Clinic, Health Studio, Hotel, Utility Facility, Industrial – Light, Institution, Laundry, Market, Massage Parlour, Motor Display Area, Museum, Night Club, Office, Offices – Medical, *Parkade, Pet Grooming Parlour, Place of Public Entertainment, Private Open Space, Public Open Space, Restaurant/Fast Food Outlet, Shop, Sport and Recreation, Veterinary Clinic, Warehouse Floor Area Ratio: 8.0 of which residential may be either 4.0 or 2.0 dependant on its locality in CBD or 3.0 in the areas bounded by (i) Berea Road; Richards Road; Lancers Road; Warwick Avenue. (ii) Berea Road; Umbilo Road; Moore Road; (iii) Roughly in the area bounded by Epsom Road; Mansell Road; Umgeni Road; First Avenue; Crabbe Road; Argyle Road and Ascot Street. Coverage: n/a Height: 59 degree angle from opposite side of street (max width 30m) or 110m with a 5.0m setback at 15.0m Parking: As per scheme Building Lines: 4.5m from centre line of vehicular street or 2.0m from centre line of non-vehicular street
3.	Masingita Shopping Centre	Business 1 Use Zone 6 Permitted uses: Dwelling units, residential flats, hotel, institution, multi-purpose centre, offices/medical consulting rooms, parking garage, place of instruction, public place of worship, restaurant, shops, social hall, tavern, vehicle sales lot. Floor Area Ratio: 3.0 Coverage: 1) 90% 2) 45 units/ha (Residential) Height: As per Scheme Parking: As per scheme Building Lines: 4.0m at Main street boundary

No.	Name	Zoning, town planning and statutory contravention (if any)
4.	The Ridge Shopping Centre	RE of Erf 49 (Previous Erven 15 and 16) Zoning: Business 1 Permitted Uses: Not specified Floor Area Ratio: The floor area ratio shall not exceed 0.6 Coverage: The coverage shall not exceed 60%. Height: The height of buildings shall not exceed two storeys Parking: not specified Building Lines: not specified Erf 50 Zoning: Business 1 Permitted uses: The erven shall be used for "Business 1" purposes including a drive-through restaurant Floor Area Ratio: The floor area ratio shall not exceed 0.4 Coverage: The coverage shall not exceed 60%. Height: The height of buildings shall not exceed two storeys Parking: 6 parking spacer per 100 m² gross leasable shop floor area; 4 parking spaces per 100m² gross leasable office floor area; 8 parking spaces per 100m² gross leasable medical floor area; 10 parking spaces per 100m² nett restaurant floor area; 2 parking spaces per 100m² for all other restaurant floor area; All other land uses shall be provided for to the satisfaction of the Council Building Lines: not specified
5.	Orange Farm	Business 1 Permitted uses: Not Specified Floor Area Ratio: Not Specified Coverage: 70% Height: Three Storeys Parking: As per Scheme Building Lines: 1m at the back and sides
6	Southview Shopping Centre	Special Shops, Office, place of refreshment, retail industry, medical consulting room, place of amusement, institution, dwelling units, block of tenements, business buildings, banks, motor dealership, motor workshop, vehicle sales mart and vehicle sales showroom Floor Area Ratio: 0.5 Coverage: According to Site Development Plan Height: Two Storeys Parking: 3 bays per 100/m² of GLA Building Lines: Road 31 (K63) and Road K6: 16m.

DDP VALUATION AND ADVISORY SERVICES PROPRIETARY LIMITED SUMMARY VALUATION REPORT

The Directors

Arrowhead Properties Limited
1 Sturdee Avenue
Rosebank
Johannesburg
South Africa

30 November 2021

Dear Sirs

RE: INDEPENDENT PROPERTY VALUER'S REPORT OF THE PROPERTY PORTFOLIO FOR FAIRVEST PROPERTY HOLDINGS LIMITED AND ARROWHEAD PROPERTIES LIMITED ("ARROWHEAD") AS DETAILED IN THE SUMMARY SCHEDULE ATTACHED AND FOR WHICH THERE ARE DETAILED VALUATION REPORTS HELD BY ARROWHEAD

1. INTRODUCTION

The valuation of the properties has been carried out by DDP Valuation and Advisory Services Proprietary Limited ("DDP" or the "Valuer") who has carefully considered all aspects of all the properties. These properties each have a detailed valuation report ("Valuation Report") which has been given to the management of Arrowhead. The detailed reports include commentary on the current economy, nature of the properties, locality, tenancy, risk profile, current and rent, earning capability and exposure to future expenses and property risk. All these aspects have been considered in the individual Valuation Reports of the properties. The detailed reports have further addressed the tenancy income capability and expenditure for each property and tenant. Historic expenditure profile as well as future expenditure increases have been considered. The value thus indicates the fair market value for each property which is detailed in the report, and which has been summarised in an executive summary schedule, attached hereto. There are 17 properties and the important aspects of the detailed Valuation Report including the property market value for all of the properties have been summarised in the attached schedule.

2. BASIS OF VALUATION

The value of the properties is based on market value which is defined as, "The estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's length transaction, after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion".

3. VALUE CALCULATION

The calculation of the market value of these properties has been based on the discounted cash flow of contracted income and the income capitalisation of reversionary market rentals.

This is the fundamental basis on which commercial income producing properties are traded on the market in South Africa. This is also due to there being strong supporting evidence of open market rental rates and capitalisation rates which are evidenced by sales in the market.

Properties traded in the current market reflect a yield rate relationship between revenue and capital value. This rate is an accurate determinant of the capitalisation rate.

The considerations for the discounted cash flow valuations are as follows:

- 3.1 Calculating the forward cash flow of all contractual and other income from the properties;
- 3.2 Calculating the forward contractual and other expenditure as well as provisions for various expenses in order to provide for void or future capital expenditure to which the property may be exposed;
- 3.3 The current area vacancy as a percentage of the property portfolio (17 properties valued by DDP) is approximately 4.23%. In order to apply a conservative approach, we have allowed a reversionary vacancy provision of between 1% and 3% of the gross income into perpetuity as a provision for rental that may not be collected as a consequence of vacancy, tenant failure or tenant refitting during the course of the coming years. In addition to the terminal vacancy provision, we have allowed for letting uptake periods on expiry of existing agreements and vacancies within the cash flows. The current vacancy is market related. The void provision used in the valuation is therefore adequate;

- 3.4 There is no loss of rental due to renovations or refurbishments currently being carried out on the buildings. There is, however, ongoing external and internal maintenance work and some tenant installation fitting out that is currently in progress. There is no loss of rental as a result of these activities.
- 3.5 Generally, the rentals are market related. This has been determined by comparing similar buildings in comparable areas to the properties valued, in terms of rental per square metre. The rental rate has also been verified against various published indices including the Rode and SAPOA Reports. There are some properties that are over-rented, or that cannot be re-rented at the same or higher rental rate should such property become vacant. Where a rental has been identified as being above market, we have allowed for a reversion to a market related rental within our cash flows. There is potential for rental flow reversion which has been allowed for within the discounted cash flows. There is however, potential for positive upside real growth in rental rates subsequent to the pandemic, but should be viewed with some caution. This is provided that the economy remains in a slow recovery pattern as currently being experienced as that there are no major economic fluctuations which may upset the economy.
- 3.6 Capitalising the net contractual income derived from the properties for a period of one year in advance, calculated from 1 October 2021;
- 3.7 The valuation has considered published market statistics regarding rental rates, expenditure, market rental growth, current and terminal capitalisation rates for the different types of properties. It is also considered numerous other portfolios of similar properties in order to determine if any properties are over rented or have excessive expenditure; and
- 3.8 Various provisions for capital contingencies were deducted from the capitalised value.

4. SPARE LAND

With the exception of Stretford Spar, there are no properties with large tracts of vacant zoned land. The additional land, measuring 4 434 00m², for Stretford Spar has been valued on the basis of comparable sales.

5. BRIEF DESCRIPTION

The properties have been well constructed and generally have acceptable architectural merit, aesthetic appeal and sufficient parking facilities and enjoy healthy occupancy rates. The leases tend to be of a general short to medium term contractual rental nature with provision for the recovery of utility services consumed by the lessees. Escalations are market related but are high enough to ensure that a more than positive growth rate is ensured without creating an over rent potential in the medium term. The properties are generally highly visible and dominate their environment. In respect of the properties, the current net annual rental and the estimated future net annual rentals at specified dates and for specified periods are included in each individual Valuation Report.

6. VALUATION QUALIFICATIONS

Qualifications are usually detailed as a consequence of: leases under negotiation that have not yet been formalised; leases of a large nature where the premises are difficult to re-let; specialised properties; large exposure to a single tenant; potential tenant failure due to over-rent; expenses required for major repairs; maintenance or other exposure to maintain the lettable of the building; contingent expropriations or servitudes that may be enforced; poor lease records whereby the lease may be disputed or rendered invalid.

We have, to the best of our knowledge, considered all of these aspects in the valuation of all the properties. There are no properties that are prejudiced in value by the influence of the above factors. The Valuer is however not responsible for the competent daily management of these properties that will ensure that this status is maintained, or for the change of any laws, services by local authority or economic circumstances that may adversely impact on the integrity of the buildings or the tenant profile.

In accordance with your instruction of 1 October 2021, I confirm that we have visited and inspected the 17 properties listed in the attached schedule ("**the properties**") during June and October 2021 and have received all necessary details required to perform a valuation in order to provide you with my opinion of the properties' market values as at 30 June 2021 (five properties values) and 30 September 2021 (12 properties valued).

7. OPTIONS OR BENEFITS/DETRIMENT OF CONTRACTUAL ARRANGEMENTS

To my knowledge there are no contractual arrangements on the properties other than the leases as detailed in the report that have a major benefit or are detrimental to the fundamental value base of the properties. The properties located in the Eastern Cape areas of Libode, Tabankulu, Mqanduli, Qumbu and Elliotdale are subject to land leases. These leases are not seen as detrimental, and the lease amount payable has been included in the discounted cash flows as a monthly expense.

To the best of my knowledge, there are no options in favour of any parties for any purchase of any of the properties.

8. INTRA-GROUP OR RELATED PARTY LEASES

Having inspected all the tenant schedules and leases it is noted that there are no intra-group or related party leases.

9. LEASES AND SUB LEASES

As per Listing Requirements a high-level summary of the actual tenant leases or sub leases, are required to be reflected in this summary report.

Herewith a high-level summary of each property as reflected by tenancy schedules provided.

Mala Plaza: Is anchored by Pick 'n Pay, occupying approximately 20.9% of the centre GLA and is supported by several national tenants occupying approximately 54.4%. The rest of the centre is occupied by local tenants with a small contingent vacant space of 3.9%.

Mega Park: This large box size centre has various national tenants to a total occupation of 82.4%. The only vacancy is an ATM.

Bradlows: A fully let building occupied by two national tenants.

Mkuze Corner: A small centre, anchored by Spar and Tops occupying 57.3% and a vacancy of 1.5%. The rest of the centre is occupied by local tenants.

Richmond Centre: This centre has a vacancy of 3.9% and is anchored by Spar that occupies approximately 27.6% of the total GLA. The supporting national tenants occupies a space of approximately 36.2% of the GLA. This entails that the centre has a large contingent of local tenants.

Paddagat centre – St Georges Square: This fully let centre is anchored by Checkers that occupies approximately 39.3% of the total GLA of the centre. National tenants' occupation contributes to approximately 20.5% of the GLA. The rest is occupied by local tenants.

Boxer Centre, Elliotdale: A fully let centre with the anchor tenant Boxer Superstore occupying 35% of the total GLA. In addition to the anchor, the national tenants are currently occupying 26% of the GLA.

Qumbu Plaza: This centre has a large vacancy contingent of 15.5% of the total GLA and is anchored by Boxer Superstore that occupies 31.6% of the total GLA. The national tenants occupy 41.1% of the GLA.

Boxer Centre, Mqanduli: A centre anchored by Boxer Superstores that occupy approximately 41.8% of the total GLA and has a vacancy of 2.9% of the GLA. The national tenant contingent occupies 25.6% of the GLA.

Boxer Centre, Tabankulu: A fully let centre with the anchor tenant Boxer Superstore occupying 49.2% of the total GLA. In addition to the anchor, the national tenants are currently occupying 21.8% of the GLA.

Middestad Centre: A centre with several national tenants that occupies approximately 62% with Checkers the anchor at an occupancy of 20.2% of the GLA. The centre has a vacancy of 2.4% of the GLA.

Sibilo Shopping Centre: This centre has a vacancy of 4.4% and is anchored by Shoprite that occupies approximately 32.6% of the total GLA. The supporting national tenants occupies a space of approximately 44.6% of the GLA.

Libode Shopping Centre: A small centre, anchored by Boxer Superstores occupying 33.5% and only an ATM vacant. The supporting national tenants occupies a space of approximately 46.5% of the GLA. The rest of the centre is occupied by local tenants.

Zamdela: A small fully tenanted centre, anchored by Boxer Superstores occupying 46.7%. The rest of the centre is occupied by three national tenants.

Sharpeville: A small fully tenanted centre occupied by a Spar and Tops and ATM only.

Stretford: A small fully tenanted centre occupied by a Spar and Tops and ATM only.

The Palms: A poorly tenanted office block with a vacancy of 37.9% of the GLA.

10. CURRENT STATE OF THE DEVELOPMENT

There is no property which is currently being re-developed.

11. RENTALS USED IN THE VALUATIONS

Note that all these properties are all generally rented out. The current annual rental and future annual rentals have been calculated in a separate discounted cash flow schedule. It is noted that there are no material rental reversions and that the rentals for all the properties increase on average by approximately 5% – 10% compounding per annum.

12. EXTERNAL PROPERTY

None of the properties are situated outside the Republic of South Africa.

13. OTHER GENERAL MATTERS AND VALUATION SUMMARY

A full Valuation Report is available on a property by property basis detailing tenancy, town planning, valuer's commentary, expenditure and other details. This has been given to the directors of Arrowhead.

14. ALTERNATIVE USE FOR A PROPERTY

The properties have been valued in accordance with their existing use which represents their market value. No alternative use for the properties has been considered in determining their value.

15. OTHER COMMENTS

Our valuation excludes any amounts of Value-added Tax, transfer duty, or securities transfer duty.

16. CAVEATS

16.1 Full Disclosure

This valuation has been prepared on the basis that full disclosure of all information and factors that could affect the valuation ('all relevant factors') have been made to us. We accept no liability or responsibility whatsoever for the valuation if it should transpire that a full disclosure of all relevant factors was not made.

16.2 Third Party Involvement

Where reliance was placed on information supplied by third parties in undertaking the evaluation, we have assumed such information to be substantially correct. We accept no liability or responsibility whatsoever for the valuation if it should transpire that the information supplied was substantially incorrect.

16.3 Valuation Standard

This valuation has been prepared in accordance with the International Valuation Standards Committee requirements as adopted by the South African Council for the Property Valuers Profession and the South African Institute of Valuers.

16.4 Freehold Property

In the case of freehold properties we have inspected the relevant title deed documents when available. Whenever perusal of the title deed caused concern, we made specific reference to this in the Valuation Report. Where the Title Deeds were not available we have assumed that good title can be shown and that the property is not subject to any unusual or especially onerous restrictions, encumbrances or outgoings.

16.5 Mortgage Bonds, Loans or Other Charges

The properties have been valued as if wholly owned with no allowance made for any outstanding monies due in respect of mortgage bonds, loans or other charges. No deductions have been made in our valuation for the cost of acquisition, such as legal or transfer fees, or the costs involved in the disposal of the assets.

16.6 Calculation of Areas

Where Arrowhead (or his/her representative) has provided all surface areas quoted within the Valuation Report, we assume such surface areas have been calculated in accordance with the SAPOA standard method of measurement. Where a valuer on site measures the surface areas, the SAPOA standard method of measurement shall be employed.

16.7 Plans

All plans included in the Valuation Report are supplied for the purpose of identification and orientation only and are not necessarily to scale.

16.8 Property Boundaries

The farm or property boundaries, as indicated to the Valuer by the instructing client or his appointed agent, or the boundaries as indicated by plans supplied by the client, are assumed to be the legal extent of the property. Any variation of these boundaries by extension or omission, and the resultant inclusion or omission of any improvements because of this or these variations, cannot therefore be regarded as the responsibility of the Valuer. We accept no liability or responsibility whatsoever for the valuation should it transpire that any boundaries were incorrectly pointed out.

16.9 Outgoings

It is assumed, except where otherwise stated, that the properties are subject to the normal property owner's outgoings and that there are no onerous restrictions or unusual covenants of which we have no knowledge. In preparing our valuation, we have formed our opinion of outgoings, having had reference to the various schedules of outgoings supplied by Arrowhead or a representative thereof.

16.10 Structural Condition

The properties have been valued in their existing state. In the event of its ownership or use changing in such a manner that the local authority will require the upgrading of the premises to comply with fire protection and other regulations, it may be necessary to reduce the valuation by the amount covering the cost of such compliance. We have had regard to the apparent state and condition of the properties but have not carried out a structural survey, nor inspected those areas, which were covered, unexposed or inaccessible, neither have we arranged for the testing of electrical, heating or other services. The valuation assumes that the services and structures are in a satisfactory state of repair and condition, unless otherwise stated in our report. The valuation further assumes that the improvements have been erected in accordance with the relevant Building and Town Planning Regulations as well as the Local Authority by-laws. We have not inspected woodwork or other parts of the structures, and we are therefore unable to report that such parts of the properties are free from rot, beetle or other defects. We have assumed that no deleterious or hazardous materials or techniques were used in the construction of the properties nor have since been incorporated.

16.11 Contamination

Our valuation assumes that a formal environmental assessment is not provided and further that the properties are not environmentally impaired nor contaminated, unless otherwise stated in our Valuation Report.

16.12 Vacant Land

No soil or substratum tests on the properties have been undertaken and it is assumed that the properties are suitable for the intended purpose, without having to provide excessive reinforcement to any structure built thereon.

16.13 Statutory Notice and Unlawful Use

We have assumed that the properties and its value are unaffected by any statutory notice, and that neither the properties nor its condition, nor its use, nor its intended use, is or will be unlawful.

16.14 Individual Properties

The values reported are for the individual properties. No allowance is made for any premium, which may be applicable for an assembled portfolio of properties, nor is a discount allowed for any flooding of the market, which might exist if all, or a majority of the properties were offered for sale simultaneously.

16.15 Confidentiality

DDP accepts no liability for any loss, damages and/or expenses of any nature which may arise as a result of, or which may be attributable directly or indirectly from information made available to us, or actions or transactions resulting therefrom. Please refer to our Privacy Policy for more information (<https://ddp.co.za/legal/>).

In the event of any changes to your personal information, you have an obligation to inform DDP within 30 days.

For more information regarding DDP, please refer to our website (<https://ddp.co.za/legal/>).

16.16 Independent Valuers Clause

Neither the Valuer, nor any employee, have any present or contemplated interest in this or any other properties or any other interests, which could affect the statements or values, contained in this Summary Valuation Report. The valuation enclosed herewith was therefore undertaken on a completely independent basis by valuers employed by the Valuer, a company which specialises in valuation and which does not trade in these assets.

16.17 Value Added Tax

All figures quoted are exclusive of Value Added Tax.

16.18 Court Cases

Please note that if this Summary Valuation Report or any portions thereof are used in a court case, additional fees will be applicable.

17. MARKET VALUE

We are of the opinion that the aggregate market value of the properties (including solar installations) as at 30 June 2021 is R327 900 000.00 (five properties valued) and R933 900 000.00 as at 30 September 2021 (12 properties valued) (excluding VAT). A summary of the individual valuations and details of each of the properties is attached.

To the best of our knowledge and belief there have been no material changes in circumstances between the effective date of the valuations and the date of this Summary Valuation Report which would affect the valuation.

Combined, we have more than twenty-seven years' experience in the valuation of all property types and we are qualified to express an opinion on the fair market value of the properties.

We trust that we have carried out all instructions to your satisfaction and thank you for the opportunity of undertaking this valuation on your behalf.

SIGNED BY:

Ashton Eckler

Professional Valuer registered with the South African Council for the Professional Valuers Profession (SACPVP).
Registration Number 6022/8

and

Beukes Kuit

Professional Valuer registered with the South African Council for the Professional Valuers Profession (SACPVP).
Registration Number 7331/2

For and on behalf of DDP Valuation and Advisory Services (Proprietary) Limited.

Ashton Eckler

Beukes Kuit

DDP Valuation and Advisory Services (Proprietary) Limited

Company Registration (2007/018821/07)
ashton.eckler@ddp.co.za

Menlyn Square Office Park
134 Aramist Avenue, Menlyn, Pretoria
012 369 9100

ANNEXURE A: PROPERTY SCHEDULE

Building name	Property description	Address	Property use	Inspection date	Freehold/ Leasehold	Tenure of leasehold	Approximate age of building (years)	Classification/building grade
Mkuze Corner	Portion 1 Erf 59 Mkuze, KwaZulu Natal	Cnr Eagle Ave and Falcon Street, Mkuze	Retail Centre	25 June 2021	Freehold	N/A	20	Local Convenience Centre
Richmond Shopping Centre	Erf 824 Richmond, KwaZulu Natal	Cnr Nelson, Benjamin and Chillee Streets, Richmond	Retail Centre	29 June 2021	Freehold	N/A	13	Neighbourhood Centre
Bradlows	Remaining Extent Erf 814 Bloemfontein, Free State	37 Maitland Street, Bloemfontein	Retail Centre	28 June 2021	Freehold	N/A	50+	Stand Alone Retail
Mega Park	Remaining Extent Erf 27819 Bloemfontein, Free State	30 Curie Avenue, Hospital Park, Bloemfontein	Retail Centre	28 June 2021	Freehold	N/A	25	Neighbourhood Centre/ Retail Warehousing
Mala Plaza	Erf 936 Malamulele-A,	Main Road, Malamulele	Retail Centre	15 June 2021	Freehold	N/A	25	Neighbourhood Centre
Qumbu Plaza	Erf 30 Qumbu, Eastern Cape Province	Aubert Street, Qumbu	Retail Centre	18 October 2021	Leasehold	R25 440,00/month with 6% escalation	8	Neighbourhood Centre
Boxer Elliotdale	Remaining Extent Erf 93 Elliotdale, Eastern Cape Province	Main Road, Elliotdale	Retail Centre	18 October 2021	Leasehold	8% of Gross income	10+	Neighbourhood Centre
Boxer Mqanduli	Erf 871 Mqanduli, Eastern Cape Province	Main Street, Mqanduli	Retail Centre	18 October 2021	Leasehold	R53 725,43/month with 6% escalation	11	Local Convenience Centre
Boxer Tabankulu	Erf 93 Tabankulu, Eastern Cape Province	Main Road, Tabankulu	Retail Centre	18 October 2021	Leasehold	6,5% of Gross income	8	Local Convenience Centre
Libode Shopping Centre	Erf 1294, Libode, Nyandeni Municipality, Eastern Cape Province	Along Main Road, Libode	Retail Centre	18 October 2021	Leasehold	R10 135,00/month with 6% escalation	4	Local Convenience Centre
Zamdela Shopping Centre	Portion 1 Erf 4000 Zamdela, Free State Province	Somerspost Street, Zamdela (Sasolburg)	Retail Centre	13 October 2021	Freehold	N/A	16	Local Convenience Centre
Score Stretford	Erf 16145 Stretford Extension 9, City of Johannesburg	Falcon Road, Stretford	Retail Centre	13 October 2021	Freehold	N/A	17	Local Convenience Centre
Score Sharpeville	Erf 9189 and 9190 Sharpeville, Local Municipality	Seeiso Street, Sharpeville	Retail Centre	15 October 2021	Freehold	N/A	16	Local Convenience Centre
The Palms	Erf 215, 216 and 217 Halfway House, City of Johannesburg	519 – 523 Nupen Crescent, Halfway House Extension 12	Offices	5 October 2021	Freehold	N/A	26	C-Grade Offices
Sibilo Shopping Centre	Erf 7362 Postmasburg, Northern Cape Province	Corner Cam Street and R385	Retail Centre	7 October 2021	Freehold	N/A	11	Neighbourhood Centre
Middestad Mall	Erf 15942 Bloemfontein, Free State Province	Corner West Burger and Charles Street, Bloemfontein	Retail Centre	11 October 2021	Freehold	N/A	40	Neighbourhood Centre
Paddagat Centre	Erf 1951 George, Western Cape Province	Knysna Street, George	Retail Centre	23 September 2021	Freehold	N/A	22	Neighbourhood Centre

Building name	Rentable area ²	2021 Exit cap rate %	2021 Discount rate %	2021 Net income for the initial 12 Month period (after leasing commissions) Rand	2021 Solar Value Rand	2021 Valuation Rand	2021 Valuation including solar Rand
Mkuze Corner	3 388	10.50	14.75	2 899 192	–	32 200 000	32 200 000
Richmond Shopping Centre	9 214	10.50	14.75	8 137 990	8 200 000,00	91 000 000	99 200 000
Bradlows	2 562.81	10.50	14.50	1 140 338	–	11 600 000	11 600 000
Mega Park	6 743.98	10.50	15.00	8 154 045	–	83 900 000	83 900 000
Mala Plaza	6 207.57	11.00	15.50	8 718 137	5 600 000,00	95 400 000	101 000 000
Qumbu Plaza	5 470	10.50	15.25	6 492 799	7 000 000,00	62 300 000	69 300 000
Boxer Elliotdale	7 360	10.50	15.25	8 678 984		82 500 000	82 500 000
Boxer Mqanduli	4 689	10.50	15.25	5 244 568		49 800 000	49 800 000
Boxer Tabankulu	4 117	10.50	15.25	4 195 136		43 400 000	43 400 000
Libode Shopping Centre	4 991	10.50	15.25	6 521 808	4 600 000,00	63 300 000	67 900 000
Zamdela Shopping Centre	2 247	10.25	14.75	2 912 148		29 700 000	29 700 000
Score Stretford	1 508	10.25	14.75	1 433 920		15 800 000	R15 800 000
Score Sharpeville	1 145	10.25	14.75	1 396 021		14 100 000	14 100 000
The Palms	2 501	12.00	14.50	906 620		13 300 000	13 300 000
Sibilo Shopping Centre	8 476	10.25	14.75	13 193 522		132 200 000	132 200 000
Middestad Mall	10 775	10.00	14.50	27 291 184	11 200 000,00	282 100 000	293 300 000
Paddagat Centre	11 001	10.50	15.25	11 955 943	8 000 000,00	116 200 000	124 200 000

ANNEXURE B: ZONING INFORMATION

Erf 30 Qumbu – Zoning Information

Name of Local Authority	Mhlontlo Local Municipality	
	Permissible	Actual
Zoning	General Business	Retail Centre
Coverage	80%	Complies
Height	2 Storeys	Complies
FAR, FSR, Bulk	No restriction	Complies
Setback	None Noted	Complies
Building Line	Front of building – 0mt Rear of building – 0mt	Complies
Parking Ratio	1/100m ² GLA	Ample parking provided
Comments	Property is seen to comply with zoning restrictions	

Erf 93 Tabankulu – Zoning Information

Name of Local Authority	Ntabankulu Local Municipality	
	Permissible	Actual
Zoning	Business 1	Retail Centre
Coverage	66.66%	Complies
Height	2 Storeys	Complies
FAR, FSR, Bulk	No restriction	Complies
Setback	None Noted	Complies
Building Line	Front of building – 0mt Rear of building – 0mt	Complies
Parking Ratio	4/100m ² GLA	Ample parking provided
Comments	We could not reach the zoning officer of the Municipality to confirm zoning due to the COVID-19 pandemic. We reserve the right to amend the report if the above information is proven to be incorrect.	

Erf 871 Mqanduli – Zoning Information

Name of Local Authority	King Sabata Dalindyebo Local Municipality	
	Permissible	Actual
Zoning	Business 1	Retail Centre
Coverage	66.66%	Complies
Height	2 Storeys	Complies
FAR, FSR, Bulk	No restriction	Complies
Setback	None Noted	Complies
Building Line	Front of building – 0mt Rear of building – 0mt	Complies
Parking Ratio	4/100m ² GLA	Ample parking provided
Comments	We could not reach the zoning officer of the Municipality to confirm zoning due to the COVID-19 pandemic. We reserve the right to amend the report if the above information is proven to be incorrect.	

Erf 1294 Libode – Zoning Information

Name of Local Authority	Nyandeni Local Municipality	
	Permissible	Actual
Zoning	Not obtained	Retail Centre
Coverage	Not obtained	TBC
Height	Not obtained	TBC
FAR, FSR, Bulk	Not obtained	TBC
Setback	Not obtained	TBC
Building Line	Not obtained	TBC
Parking Ratio	Not obtained	Ample parking provided
Comments	We could not reach the zoning officer of the Municipality to confirm zoning at the time of valuation. We reserve the right to amend the report if the above information is proven to be incorrect.	

Remainder Erf 93 Elliotdale – Zoning Information

Name of Local Authority	Mbhashe Local Municipality	
	Permissible	Actual
Zoning	General Business	Retail Centre
Coverage	80%	Complies
Height	2 Storeys	Complies
FAR, FSR, Bulk	No restriction	Complies
Setback	None Noted	Complies
Building Line	0mt for shops	Complies
Parking Ratio	No parking ratio restrictions	Ample parking provided
Comments	Zoning information as supplied by Mbhashe Municipality. Property is seen to comply with zoning restrictions.	

Erf 215, 216 and 217 Halfway House (The Palms)

Name of Local Authority	Thulamela Local Municipality	
	Permissible	Actual
Zoning	Residential 2	Offices
Coverage	40%	Complies
Height	3 Storeys	Double Storey
FAR, FSR, Bulk	0.8	0.53
Setback	None Noted	N/A
Building Line	Building lines shall be to the satisfaction of the local authority	As per town planning scheme
Parking Ratio	Office: 4 bays/100m ² gross floor area	68 Parking bays provided
Comments	The use zone is noted as Residential 2. This use includes business buildings, offices, places of instruction, institutions, public garage and dwelling home offices. The subject sites seem to comply with Town Planning requirements.	

Erf 9189 and 9190 Sharpeville

Name of Local Authority	Emfuleni Local Municipality	
	Permissible	Actual
Zoning	Business 1	Retail – Supermarket
Coverage	70% – 1 836.10m ²	65% – 1 186.00m ²
Height	3 Storeys, including a Ground Floor	1 Storey
FAR, FSR, Bulk	As per town planning scheme	0.45
Setback	None Noted	Not applicable
Building Line	As per town planning scheme	10m street boundary, 4m rear, 3m left and 10m right
Parking Ratio	As per Town Planning Scheme	14 open parking bays inside the property and 7 parking bays outside the property.
Comments	Property is seen to comply with zoning restrictions	

Erf 16145 Stretford

Name of Local Authority	City of Johannesburg Metropolitan Municipality	
	Permissible	Actual
Zoning	Institutional	Retail (Supermarket)
Coverage	70% – 6 259.40m ²	20% – 1 825.00m ²
Height	3 Storeys	1 Storey
FAR, FSR, Bulk	As per town planning scheme	0.45
Setback	None Noted	Not applicable
Building Line	As per town planning scheme	10m street boundary, 4m rear, 3m left and 10m right
Parking Ratio	As per Town Planning Scheme	41 open parking bays inside the property
Comments	On the zoning certificate received from the City of Johannesburg, the subject property is zoned Institutional. The primary usage of a property zoned Institutional is an institution, a place of instruction, social halls, religious purposes and the secondary use is as medical consulting rooms, dwelling units, residential buildings, sport and recreation club and public or private parking areas. The current use as retail does not conform to the permitted use as per the zoning certificate. This valuation is made on condition that the subject property be rezoned to Business 1.	

Portion 1 Erf 4000 Zamdela

Name of Local Authority	Metsimaholo Local Municipality	
	Permissible	Actual
Zoning	Business	Commercial – Retail
Coverage	70%	30.71%
Height	3 Storeys	1 Storey
FAR, FSR, Bulk	Not Applicable	Not applicable
Setback	None Noted	Not applicable
Building Line	Minimum of one metre for rear and side boundaries and three meters from the street	Complies
Parking Ratio	300.00m ² and over – 4 Bays per 100.00m ² of shopping floor area	38 Open bays provided
Comments	Property is seen to comply with zoning restrictions	

Erf 1951 George (Paddagat Centre)

Name of Local Authority	George Local Municipality	
	Permissible	Actual
Zoning	Business Zone 1	Retail Centre
Coverage	100%	Complies
Height	15.0mt	Complies
FAR, FSR, Bulk	3.0	Complies
Setback	None Noted	Complies
Building Line	Street, Side and Rear: 0mt	Complies
Parking Ratio	4/100m ² GLA	446 parking bays supplied and therefore comply with town planning regulations.
Comments	The current improvements are considered to comply with council requirements.	

Erf 7362 Postmasburg (Sibilo Shopping Centre)

Name of Local Authority	Tsantsabane Local Municipality	
	Permissible	Actual
Zoning	Business 1	Retail Centre
Coverage	No restriction	33%
Height	No restriction	2 Storeys
FAR, FSR, Bulk	No restriction	0.35
Setback	None noted	14.0mt from street
Building Line	None noted	3mt from nearest boundary
Parking Ratio	4/100m ² GLA	264 Open parking bays supplied
Comments	The zoning information was obtained from previous report and could not be confirmed with the local authority. The property appears to conform to the zoning requirements with the exception of the parking. The total parking bays as per zoning should be 344. However, on the day of inspection, although not over the end of the month or weekend, the available parking appears to be more than sufficient. Condition is held for the compliance of the properties to town planning restrictions.	

Erf 15942 Bloemfontein

Name of Local Authority	Mangaung Metropolitan Municipality	
	Permissible	Actual
Zoning	Business Subzone H	Retail Centre
Coverage	No restriction	Complies
Height	28 Metres	Complies
FAR, FSR, Bulk	6.0	Complies
Setback	None noted	Complies
Building Line	None noted	Complies
Parking Ratio	4/100m ² GLA	Ample parking bays supplied
Comments	Zoning information as utilised in a previous report and is seen to comply with council requirements.	

Erf 27819 Bloemfontein (Mega Park)

Name of Local Authority	Mangaung Metropolitan Municipality	
	Permissible	Actual
Zoning	Business	Retail Centre
Coverage	100%	Seen to comply
Height	9.2m	Seen to comply
FAR, FSR, Bulk	No restriction	Seen to comply
Setback	None Noted	N/A
Building Line	None noted	Seen to comply
Parking Ratio	4 bays/100m ² GLA	Ample parking provided
Comments	Property is seen to comply with zoning restrictions	

Erf 814 Bloemfontein (Bradlows Building)

Name of Local Authority	Mangaung Metropolitan Municipality	
	Permissible	Actual
Zoning	Business	Retail
Coverage	Not obtained	Seen to comply
Height	Not obtained	Seen to comply
FAR, FSR, Bulk	Not obtained	Seen to comply
Setback	Not obtained	N/A
Building Line	Not obtained	Seen to comply
Parking Ratio	Not obtained	Ample parking provided
Comments	The zoning was not obtained at the time of the valuation. Property is seen to comply with zoning restrictions	

Portion 1 Erf 59 Mkuze (Mkuze Corner)

Name of Local Authority	Jozini Local Municipality	
Comments	I have been unable to gather any town planning information from the Jozini Municipality relating to the subject property. However if one considers that the adjoining properties are similar in the sense that all are utilised for some commercial use, I would be of the assumption that the subject property conforms to the existing town planning controls for the area.	

Erf 824 Richmond

Name of Local Authority	Richmond Local Municipality	
Comments	I have been unable to gather any town planning information from the Richmond Municipality relating to the subject property. However if one considers that the adjoining properties are similar in the sense that all are utilised for some commercial use, I would be of the assumption that the subject property conforms to the existing town planning controls for the area.	

Erf 936 Malamulele-A

Name of Local Authority	Thulamela Local Municipality	
	Permissible	Actual
Zoning	Business	Retail Centre
Coverage	Not obtained	Seen to comply
Height	Not obtained	Seen to comply
FAR, FSR, Bulk	Not obtained	Seen to comply
Setback	Not obtained	N/A
Building Line	Not obtained	Seen to comply
Parking Ratio	Not obtained	Ample parking provided
Comments	The zoning was not obtained at the time of the valuation. Property is seen to comply with zoning restrictions	

DE LEEUW VALUERS SUMMARY VALUATION REPORT

The Directors

Arrowhead Properties Limited
3rd Floor Upper Building
1 Sturdee Avenue
Rosebank
2196

30 November 2021

Dear Sirs

INDEPENDENT PROPERTY VALUERS' REPORT OF THE PROPERTY PORTFOLIO FOR ARROWHEAD PROPERTIES LIMITED AS DETAILED IN THE SUMMARY SCHEDULE ATTACHED AND FOR WHICH THERE ARE DETAILED VALUATION REPORTS HELD BY ARROWHEAD PROPERTIES LIMITED

This summary report comprises two portfolios valued for internal use.

Firstly, in accordance with the instruction received on 24 May 2021, we confirm that we have visited and inspected the six (6) properties listed in the attached schedule ("**the properties**") during June and July 2021 and have received all necessary details required to perform a valuation in order to provide you with our opinion of the properties' Market Values (as defined in paragraph 2 below) as at 30 June 2021.

Secondly, in accordance with your instruction of 28 September 2021, we confirm that we have visited and inspected the seven (7) properties listed in the attached schedule ("**the properties**") during October 2021 and have received all necessary details required to perform a valuation in order to provide you with our opinion of the properties' Market Values (as defined in paragraph 2 below) as at 30 September 2021.

1. INTRODUCTION

The valuation of the properties has been carried out by the valuer who has carefully considered all aspects of all the properties. These properties each have a detailed valuation report which has been given to the management of Arrowhead Properties Limited. The detailed reports include commentary on the current economy, nature of the properties, locality, tenancy, risk profile, forward rent and earning capability and exposure to future expenses and property risk. All these aspects have been considered in the individual valuation reports of the properties. The detailed reports have further addressed the tenancy income capability and expenditure for each property and tenant. Historic expenditure profile as well as future expenditure increases have been considered.

The value thus indicates the Market Value for each property which is detailed in the detailed report, and which has been summarised on a summary schedule, attached hereto, for each property. There are seven (7) properties and the important aspects of the detailed valuation report including the property Market Value for all of the properties have been summarised in the attached schedule.

2. BASIS OF VALUATION

The valuation is based on Market Value. Market Value means "The estimated amount for which an asset or liability should exchange on the valuation date assuming:

- 2.1 a willing buyer and a willing seller in an arm's length transaction,
- 2.2 after proper marketing; and
- 2.3 the parties had each acted knowledgeably, prudently and without compulsion.

3. VALUE CALCULATION

The calculation of the Market Value of the properties has been prepared using one, or a combination of, the methods listed below which is deemed to be the most appropriate, taking into consideration the quality and accuracy of information available.

Independent enquiries were made in relation to market conditions and outlook, pricing, and sales using a variety of sources including agents, developers and other active participants in the local property market. In addition, regard was had to reputable publications and published data.

3.1 Income Approach (Discounted Cash Flow method – DCF)

- 3.1.1 The calculation of the Market Value of the properties was based on the Discounted Cash Flow (“DCF”) method of valuation.
- 3.1.2 The DCF valuation approach is used by many international and institutional investors to be able to compare the internal rate of return (“IRR”) on different classes of investments. Using the DCF approach, an asset is valued by discounting the expected future net income for a holding period at an appropriate discount rate to give the present value (“PV”) of the expected cash flows and the PV of the disposal price/exit value at the end of the cash-flow period. This PV is effectively the Market Value a purchaser would bid for the asset if s/he assumed they required the IRR/discount rate inputted into the model. Market rental growth is projected over the DCF horizon and applied to the income stream whenever current leases end and revert to market. The exit value is calculated by taking the income in the final year of the cash flow projection period and capitalising it at an appropriate all risks yield and then discounting the capital value produced to a present value by the discount rate.

4. SPARE LAND

There are no properties with large tracts of vacant zoned land.

5. BRIEF DESCRIPTION

The first portfolio, with the date of valuation as at 30 June 2021 include five retail properties and one office property. The second portfolio, with the date of valuation as at 30 September 2021 comprises of six retail properties and one single tenanted office property. The properties are in a good condition and have been well maintained. The tenant profile is considered well suited to each asset, with a favourable retail synergy and limited vacancies. The leases tend to be of a general short to medium term contractual rental nature with provision for the recovery of utility services consumed by the lessees. Escalations are market related. In respect of the properties, the current net annual rental and the estimated future net annual rentals at specified dates and for specified periods are included in each individual detailed property valuation report.

6. VALUATION QUALIFICATIONS

Qualifications are usually detailed as a consequence of: leases under negotiation that have not yet been formalised; leases of a large nature where the premises are difficult to re-let; specialised properties; large exposure to a single tenant; potential tenant failure due to over-renting; expenses required for major repairs; maintenance or other exposure to maintain the lettable of the building; contingent expropriations or servitudes that may be enforced; poor lease records whereby the lease may be disputed or rendered invalid.

We have, to the best of our knowledge, considered all of these aspects in the valuation of all the properties. There are no properties that are prejudiced in value by the influence of the above factors.

The valuer is however not responsible for the competent daily management of these properties that will ensure that this status is maintained, or for the change of any laws, services by local authority or economic circumstances that may adversely impact on the integrity of the buildings or the tenant profile.

7. OPTIONS OR BENEFIT/DETRIMENT OF CONTRACTUAL ARRANGEMENTS

To our knowledge there are no contractual arrangements on the properties other than the leases as detailed in the report that have a major benefit or are detrimental to the fundamental value base of the properties.

To the best of my knowledge, there are no options in favour of any parties for any purchase of any of the properties.

No allowance is included in the valuation reports for income lost due to time delays to complete refurbishments for existing or new tenants.

8. INTRA-GROUP OR RELATED PARTY LEASES

Having inspected all the tenant schedules it is noted that there are no intra-group or related party leases.

9. CURRENT STATE OF DEVELOPMENT

There is no property which is currently being re-developed.

10. RENTALS USED IN VALUATIONS

Note that all these properties are all generally rented out. The current annual rental and future annual rentals have been calculated in a separate discounted cash flow schedule. It is noted that there are no material rental reversions and that the rentals for all the properties increase on average by approximately 6 – 8% compounding per annum.

11. EXTERNAL PROPERTY

None of the properties are situated outside the Republic of South Africa.

12. OTHER GENERAL MATTERS AND VALUATION SUMMARY

A full valuation report is available on a property-by-property basis detailing tenancy, town planning, valuer's commentary, expenditure and other details. This has been given to the directors of Arrowhead Properties Limited.

Contamination: upon inspection of the properties, no contamination related aspects were brought to our attention. Commenting on environmental matters and possible contamination falls outside our field of expertise as Valuers and therefore we are unable to express a professional opinion on this matter.

13. ALTERNATIVE USE FOR A PROPERTY

The properties have been valued in accordance with their existing use which represents their Market Value. No alternative use for the properties has been considered in determining their value.

14. OTHER COMMENTS

Our valuation excludes any amounts of Value-added Tax, transfer duty, or securities transfer duty.

15. CAVEATS

15.1 Source of information and verification

Information on the properties regarding rental income, recoveries and other income detail has been provided to us by the current owners and their managing agents.

We have received copies of the tenancy schedules and where there were queries regarding new tenancies, discussions were held with management in order to verify the information provided.

We have further compared certain expenditures given to us to the market norms of similar properties. This has also been compared to historic expenditure levels of the properties themselves. Historical contractual expenditures and municipal utility services were compared to the past performance of the properties in order to assess potential expenditure going forward.

The specifics of each asset were benchmarked against the following, where applicable:

15.1.1 Own Records

15.1.2 Rode Report 2021:2 and Rode Report 2021:2

15.1.3 SAPOA Market Research Reports

15.1.3.1 SAPOA Capitalisation and Discount Rate Survey November 2020 and May 2021

15.1.3.2 SAPOA Office Vacancy Survey Q1 2021

15.1.3.3 SAPOA Retail Trends Quarter Ended March 2021

15.1.3.4 SAPOA Operating Costs Q4 2020

Information on the properties regarding rental income, recoveries and other income detail has been provided to us by the current owners and their managing agents.

15.2 Full disclosure

We accept as being accurate and complete the information provided to us by the sources detailed in our report, relating to items such as tenure, tenancies, tenants' improvements and all other relevant matters.

Where valuations are carried out of properties fully equipped as an operational trading entity, we have assumed that the information received is accurate and reliable and can be substantiated by independent audit.

15.3 Inspections

We undertake such inspections and conduct investigations as are, in our opinion, correct, appropriate and possible in the particular circumstances applying.

15.4 Leases

Unless disclosed to us, it is assumed that all properties are subject to normal outgoings and that landlords are responsible for all repairs, the cost of insurance and payment of rates and other usual outgoings, either directly or by means of service charge provisions.

Unless we state otherwise, it is further assumed that rent reviews are on an upward-only basis to the open market rent and that no questions of doubt arise as to the interpretation of the rent review provisions in the lease. We assume that neither the landlord nor the tenant may terminate the lease prematurely.

15.5 Lessees' credibility

Unless specifically requested, we do not make detailed enquiries into the covenant strength of occupational tenants but rely on our judgement of the market's perception of them. Any comments on covenant strength should therefore be read in this context. Furthermore, we assume, unless otherwise advised, that the tenant is capable of meeting its financial obligations under the lease and that there are no arrears of rent or other payments or undisclosed breaches of covenant.

15.6 Mortgage bonds, loans, etc.

The properties have been valued as if wholly owned with no account being taken of any outstanding monies due in respect of mortgage bonds, loans and other charges. No deductions have been made in our valuation for costs of acquisition.

The valuation is detailed in a completed state and no deductions have been made for retention or any other set-off or deduction for any purposes which may be made at the discretion of the purchaser when purchasing the properties.

15.7 Calculation of areas

All property measurement is carried out in accordance with the SAPOA Method of Measuring Floor Areas unless we specifically state that we have relied upon another source of information or method. Unless specifically instructed, we do not undertake a measured site survey but rely on the information provided to us.

15.8 Structural condition

Unless specifically instructed, we do not undertake structural surveys, nor do we inspect those parts that are covered, unexposed or inaccessible, or test any of the electrical, heating, drainage or other services. Any readily apparent defects or items of disrepair noted during our inspection will, unless otherwise stated, be reflected in our valuation, but no assurance is given that any property is free from defect. We assume that those parts which have not been inspected would not reveal material defects which would cause us to alter our valuation.

15.9 Contamination

Unless specifically instructed, we do not carry out investigations to ascertain whether any building has been constructed or altered using deleterious materials or methods. Unless specifically notified, our valuation assumes that no such materials or methods have been used. Common examples include high alumina cement concrete, calcium chloride, asbestos and wood wool slabs used as permanent shuttering.

15.10 Town planning

Wherever possible, we undertake informal enquiries to obtain town planning and highway information from the relevant Local Authority and we rely on such information obtained verbally. If specifically instructed, we will undertake to obtain written verification of the position, as stated in our report.

Our valuations are prepared on the assumption that the premises comply with all relevant statutory enactments and Building Acts and Regulations and that a valid and up-to-date Fire Certificate has been issued. We also assume that all necessary consents, licences and authorisations for the use of the property and the process carried out therein have been obtained and will continue to subsist and are not subject to any onerous conditions.

Unless disclosed to us, we assume that there are no outstanding statutory breaches or impending litigation in respect of the property.

15.11 Documentation and Title

We assume that each property has a good and marketable title and is free from any pending litigation.

We further assume that all documentation is satisfactorily drawn and that unless disclosed to us, there are no unusual or onerous restrictions, easements, covenants or other outgoings which would adversely affect the value of the relevant interest(s).

16. MARKET VALUE

We are of the opinion that the aggregate market value of the properties is as follows:

	Number of Properties	Date of Valuation	Value (ex VAT)
1)	6	30 June 2021	R537 000 000
2)	7	30 September 2021	R868 300 000

A summary of the individual valuations and details of each of the properties are attached.

To the best of our knowledge and belief there have been no material changes in circumstances between the date of the valuation and the date of the valuation report which would affect the valuation.

We have more than 30 years' experience in the valuation of all nature of property and we are qualified to express an opinion on the Market Value of the properties.

We trust that we have carried out all instructions to your satisfaction and thank you for the opportunity of undertaking this valuation on your behalf.

SIGNED BY:

Gemma Moore MRICS, Pr Val
RICS Registered Valuer

Registered Professional Valuer (SACPVP)
SACPVP Registration: 7273
Director

Pieter Venter MRICS, Pr Val, MIVSA
RICS Registered Valuer

Registered Professional Valuer (SACPVP)
SACPVP Registration: 3575
Director

for and on behalf of De Leeuw Valuers Cape Town (RF) Proprietary Limited
Jan de Waalhuis, 93 Bree Street, Cape Town, 8001

DATE OF VALUATION: 30 JUNE 2021

No	Property Name	Property Description	Address	Property Use	Valuers Inspection Date	Freehold/Leasehold	Tenure of Leasehold	Rentable area (m²)	Approximate age of building	Building Grading	Zoning Town Planning and Statutory contravention (if any)	Assumed perpetual void/vacancy	Income Projection for the period 1 July 2021 to 30 June 2022	Valuation as at 30 June 2021
1	Omniplace	Erf 31291, Bellville, 24 Bella Rosa City of Cape Town, Street, Rosenpark, Western Cape	City of Cape Town	Offices	08 July 2021	Freehold	N/A	2 627	14	B-grade Offices	Local Business 2	3%	R3 189,011	R30 200 000
2	Nyanga Shopping Centre	Erf 12704, Nyanga, 12704 Sombo City of Cape Town, Street, Nyanga, Western Cape	City of Cape Town	Retail	08 July 2021	Freehold	N/A	1 242	18	Stand-alone retail	General Business 4	5%	R525 434	R4 900 000
3	Jan Niemand Spar	Portion 1 of Erf 114, Remaining Extent of Erf 345 and Portion 3 of Erf 114, Jan Niemandpark, City of Tshwane Metropolitan Municipality, Gauteng	Corner of Swaan Street and Jan Coetzee Street, Jan Niemandpark, Pretoria	Retail	10 June 2021	Freehold	N/A	2 139	32	Stand-alone retail	Business 1	3%	R2 289 801	R23 800 000
4	Clubview Corner	Portion 527 Farm 356 Zwartkop Reg Div: JR Gauteng	180 Harvard Road, Centurion, Gauteng	Retail	10 June 2021	Freehold	N/A	6 074	22	Neighbourhood shopping centre	Business 1 & Special	2%	R8 282 323	R81 300 000
5	Pick n Pay Vereeniging	Erf 1440 Vereeniging, Emfuleni Local Municipality, Gauteng	Pick n Pay Vereeniging, 8 Railway Street, Vereeniging	Retail	10 June 2021	Freehold	N/A	3 538	40	Neighbourhood shopping centre	Not confirmed	3%	R2 476 108	R28 700 000

No	Property Name	Property Description	Address	Property Use	Valuers Inspection Date	Freehold/ Leasehold	Tenure of Leasehold	Rentable area (m²)	Approximate age of building	Building Grading	Zoning Town Planning and Statutory contravention (if any)	Assumed perpetual void/ vacancy	Income Projection for the period		Valuation as at 30 June 2021
													1 July 2021 to 30 June 2022		
6	Bara Precinct, Soweto	Erf 24459 Diepkloof City of Johannesburg, Gauteng;	Bara Precinct, Corners of Khambule Street, Chris Hani Road and Mohlala Street, Soweto, Gauteng	Retail	10 June 2021	Freehold	N/A	24 486	41	Community shopping centre	Business 1	2%	R33 522 969	R368 100 000	
		Erf 24464 Diepkloof City of Johannesburg, Gauteng;							41						
		Erf 24463 Diepkloof City of Johannesburg, Gauteng;							32						
		Portion 52 Erf 25170 Diepkloof City of Johannesburg, Gauteng;							9						
		Erf 24470 Diepkloof City of Johannesburg, Gauteng;							32						
		Portion 55 Erf 25170 Diepkloof City of Johannesburg, Gauteng;							32						
		Erf 24462 Diepkloof City of Johannesburg, Gauteng													

DATE OF VALUATION: 30 SEPTEMBER 2021

No	Property Name	Property Description	Address	Property Use	Valuers Inspection Date	Freehold/Leasehold	Tenure of Leasehold	Rentable area (m²)	Approximate age of building	Building Grading	Zoning Town Planning and Statutory contravention (if any)	Assumed perpetual void/vacancy	Income Projection for the period 1 October 2021 to 30 September 2022	Valuation as at 30 September 2021
1	CHEP Building	Section 6 (1 770m²), Section 7 (1,659m²), and Section 8 (16m²), together with an undivided share in the common property of the Sectional Scheme "Westville Junction (SS 224/2013)"	7 Westville Road, Dawnclyffe, Durban	Offices	19 October 2021	Freehold	N/A	3 260	±8	A-Grade Offices	General Commercial	2%	R8 650 715	R67 900 000
2	Nonkgubela Mall	Erf 50261 and Erf 13435, Khayelitsha, City of Cape Town, Western Cape	99 Sulani Drive, 13435, Khayelitsha, City of Cape Town, Western Cape	Retail	19 October 2021	Freehold	N/A	10 775	±19	Neighbourhood Shopping Centre	General Business 4	3%	R17,308,740	R173 300 000
3	Macassar Retail Centre	Erf 7355 Macassar, City of Cape Town, Western Cape	Corner Link Avenue and Burg Street, Macassar,	Retail	19 October 2021	Freehold	N/A	5 516	±13		General Business 4	2%	R7 894 250	R89 300 000

No	Property Name	Property Description	Address	Property Use	Valuers Inspection Date	Freehold/Leasehold	Tenure of Leasehold	Rentable area (m²)	Approximate age of building	Building Grading	Zoning Town Planning and Statutory contravention (if any)	Assumed perpetual void/vacancy	Income Projection for the period 1 October 2021 to 30 September 2022	Valuation as at 30 September 2021
4	Westville Junction	Section 2 in extent of 5 576m², Section 3 in extent 348m², Section 4 in extent of 24m², Section 5 in extent of 1,682m², Section 9 in extent of 59m², Exclusive Use Area P1 in extent of 1,663m², Exclusive Use Area P2 in extent of 1,782m², Exclusive Use Area P3 in extent of 2,181m², together with each sections undivided share in the common property of the Sectional Scheme "Westville Junction (224/2013), KwaZulu-Natal	7 Westville Road, Dawncliffe	Retail	19 October 2021	Freehold	N/A	6 357	±8		General Commercial	5%	R9 040 811	R97 700 000

No	Property Name	Property Description	Address	Property Use	Valuers Inspection Date	Freehold/Leasehold	Tenure of Leasehold	Rentable area (m²)	Approximate age of building	Building Grading	Zoning Town Planning and Statutory contravention (if any)	Assumed perpetual void/vacancy	Income Projection for the period	
													1 October 2021 to 30 September 2022	Valuation as at 30 September 2021
5	Nyanga Junction	Lease Area No. 1 over Erf 113702 Cape Town, City of Cape Town, Western Cape	Duinefontein Rd, Retail Heideveld, City of Cape Town	Retail	21 October 2021	Leasehold	Expiry 31 August 2043	10 683	±27	Neighbourhood shopping centre	Transport Use 1 (TR1) - Erf 113702 & 113308: Transport Use 1 (TR1)	5%	R16 716 292	R177 100 000
		Lease Area No. 1 over Erf 10316 Gugulethu, City of Cape Town, Western Cape									Land subject to section 13 of the Legal Succession of the South African Transport Services Act 9 of 1989.			
		Lease Area No. 2 over Erf 113308 Cape Town, City of Cape Town, Western Cape												
		Lease Area No. 1 over Erf 10172 Gugulethu, City of Cape Town, Western Cape									Erf 10316: Open Space 2			
											Erf 10172: Single Residential 2			
6	Shoprite Empangeni	Erf 3217 Empangeni, uMhlathuze Municipality, KwaZulu-Natal	Corner of Commercial Rd and Biyela Streets, Empangeni	Retail	19 October 2021	Freehold	N/A	1 366	±37		Core Mixed Use 1	4.5%	R21 957 231	R233 200 000

No	Property Name	Property Description	Address	Property Use	Valuers Inspection Date	Freehold/Leasehold	Tenure of Leasehold	Rentable area (m²)	Approximate age of building	Building Grading	Zoning Town Planning and Statutory contravention (if any)	Assumed perpetual void/vacancy	Income Projection for the period 1 October 2021 to 30 September 2022	Valuation as at 30 September 2021
7	210 Church Street	Portion 18 of Erf 2521, Pietermaritzburg, Msunduzi Municipality, KwaZulu-Natal; and Portion 1 of Erf 2564, Pietermaritzburg, Msunduzi Municipality, KwaZulu-Natal	210 Church Street, Pietermaritzburg	Retail	20 October 2021	Freehold	N/A	1 897	±99		General Business	2%	R3 808 402	R29 800 000

DATE OF VALUATION: 30 JUNE 2021

TOWN PLANNING RESTRICTIONS

No	Property Name	Zoning Town Planning and Statutory contravention (if any)	Parameters
1	Omniplace	Local Business 2	Coverage: 75% Height: 12m FAR, FSR: 1.0 Building Lines: Street 0m, side 0m Parking Ratio: Offices: 4 bays per 100m ² GLA Comments: The building predates the zoning scheme. It is assumed it complies.
2	Nyanga Shopping Centre	General Business 4	Coverage: 100% Height: 25m FAR, FSR: 3.0 Building Lines: 0m up to 10m; common boundary 0m Parking Ratio: Supermarket: 6 bays per 100m ² GLA Comments: The building predates the zoning scheme. It is assumed it complies.
3	Jan Niemand Spar	Business 1	Coverage: N/A Height: 13m FAR, FSR: 0.75 Building Lines: 4.5m Parking Ratio: To the satisfaction of the Local Authority. Comments: The building predates the zoning scheme. It is assumed it complies.
4	Clubview Corner	Business 1 & Special	Coverage: 80% Height: 18.0m FAR, FSR: 3.0 Building Lines: 5.0m Parking Ratio: To the satisfaction of the Local Authority. Comments: It is assumed the improvements complies.
5	Pick n Pay Vereeniging	Not confirmed	Despite numerous requests from the local authority, the zoning of the subject property could not be confirmed. It is assumed that the improvements comply.
6	Bara Precinct, Soweto	Business 1	Coverage: To the satisfaction of the Local Authority. Height: To the satisfaction of the Local Authority. FAR, FSR: To the satisfaction of the Local Authority. Building Lines: To the satisfaction of the Local Authority. Parking Ratio: 3.0 bays per 100m ² GLA Comments: It is assumed the improvements complies.

NOTE: The information is as per the public records of the Local Authority's. A Town Planners report has not been provided confirming the accuracy of the information.

DATE OF VALUATION: 30 SEPTEMBER 2021

TOWN PLANNING RESTRICTIONS

No	Property Name	Zoning Town Planning and Statutory contravention (if any)	Parameters	
1	CHEP Building	General Commercial	Coverage:	80%
			Height:	4 Levels
			FAR, FSR:	1.0
			Building Lines:	Front: 7.5m, side and rear: 3.0m
			Parking Ratio:	A minimum of two car parking spaces shall be provided on-site for each 100m ² of gross floor area of development.
			Comments:	The above controls were adapted from the eThekweni Inner West Scheme.
2	Nonkqubela Mall	General Business 4	Coverage:	Transport Use 1 (TR1): 75% (refer to item 83(b) of City of Cape Town Municipal By-Law, 2015)
			Open Space 2:	As determined by SDP (refer to item 100 of City of Cape Town Municipal By-Law, 2015)
			Single Residential 2:	Not Applicable.
			Height:	Transport Use 1 (TR1): 18.0m (refer to item 83(c) of City of Cape Town Municipal By-Law, 2015)
			Open Space 2:	As determined by SDP (refer to item 100 of City of Cape Town Municipal By-Law, 2015)
			Single Residential 2:	11,0m
			FAR, FSR:	Transport Use 1 (TR1): 2,0 (refer to item 83(a) of City of Cape Town Municipal By-Law, 2015)
			Open Space 2:	As determined by SDP (refer to item 100 of City of Cape Town Municipal By-Law, 2015)
			Single Residential 2:	Not Applicable.
			Building Lines:	Transport Use 1 (TR1): Street: 0,0m; Boundary: 3,0m (refer to item 83(d) of City of Cape Town Municipal By-Law, 2015)
			Open Space 2:	As determined by SDP (refer to item 100 of City of Cape Town Municipal By-Law, 2015)
			Single Residential 2:	Street: 6,0m; Boundary: 6,0m
			Parking Ratio:	Transport Use 1 (TR1): 6 bays per 100m ² GLA (to be read in conjunction with item 137 of City of Cape Town Municipal By-Law, 2015)
			Open Space 2:	As determined by SDP (refer to item 100 of City of Cape Town Municipal By-Law, 2015)
			Single Residential 2:	Not Applicable.
			Comments:	The above must be read in conjunction with Section 83 of the City of Cape Town Municipal By-Law, 2015.

No	Property Name	Zoning Town Planning and Statutory contravention (if any)	Parameters	
3	Macassar Retail Centre	General Business 4	Coverage:	100%
			Height:	25,0m
			FAR, FSR:	3.0
			Building Lines:	Street: 0m up to 10m height; 4.5m above 10m
			Common:	0m
			Parking Ratio:	6 bays per 100m ² GLA
			Comments:	The subject property is assumed to comply with the zoning scheme provisions.
4	Westville Junction	General Commercial	Coverage:	80%
			Height:	4 Levels
			FAR, FSR:	1.0
			Building Lines:	Front: 7.5m, side and rear: 3.0m
			Parking Ratio:	A minimum of two car parking spaces shall be provided on-site for each 100m ² of gross floor area of development.
			Comments:	The above controls were adapted from the eThekweni Inner West Scheme.

No	Property Name	Zoning Town Planning and Statutory contravention (if any)	Parameters
5	Nyanga Junction	Transport Use 1 (TR1) - Erf 113702 & 113308: Transport Use 1 (TR1) Land subject to section 13 of the Legal Succession of the South African Transport Services Act 9 of 1989. Erf 10316: Open Space 2 Erf 10172: Single Residential 2	Coverage: Transport Use 1 (TR1): 75% (refer to item 83(b) of City of Cape Town Municipal By-Law, 2015) Open Space 2: As determined by SDP (refer to item 100 of City of Cape Town Municipal By-Law, 2015) Single Residential 2: Not Applicable. Height: Transport Use 1 (TR1): 18.0m (refer to item 83(c) of City of Cape Town Municipal By-Law, 2015) Open Space 2: As determined by SDP (refer to item 100 of City of Cape Town Municipal By-Law, 2015) Single Residential 2: 11,0m FAR, FSR: Transport Use 1 (TR1): 2,0 (refer to item 83(a) of City of Cape Town Municipal By-Law, 2015) Open Space 2: As determined by SDP (refer to item 100 of City of Cape Town Municipal By-Law, 2015) Single Residential 2: Not Applicable. Building Lines: Transport Use 1 (TR1): Street: 0,0m; Boundary: 3,0m (refer to item 83(d) of City of Cape Town Municipal By-Law, 2015) Open Space 2: As determined by SDP (refer to item 100 of City of Cape Town Municipal By-Law, 2015) Single Residential 2: Street: 6,0m; Boundary: 6,0m Parking Ratio: Transport Use 1 (TR1): 6 bays per 100m² GLA (to be read in conjunction with item 137 of City of Cape Town Municipal By-Law, 2015) Open Space 2: As determined by SDP (refer to item 100 of City of Cape Town Municipal By-Law, 2015) Single Residential 2: Not Applicable. Comments: The above must be read in conjunction with Section 83 of the City of Cape Town Municipal By-Law, 2015.
6	Shoprite Empangeni	Core Mixed Use 1	Coverage: 100% Height: UR FAR, FSR: 3 Building Lines: Side and Rear space: Not Applicable Parking Ratio: 1 Bay for every 15m² (Excluding Warehouse/Storage) and 1 Bay per 140m² of Warehousing/Storage. The required number of bays is subject to approval by Council. There are currently 151 bays excluding the number of parking bays that are occupied by the taxi rank. Comments: Information retrieved from the City of uMhlathuze Land Use Scheme Regulations – 25 September 2019. It is assumed that the existing improvements comply with the Local Authority regulations and that the servitudes on the property do not affect the value of the property.

No	Property Name	Zoning Town Planning and Statutory contravention (if any)	Parameters	
7	210 Church Street	General Business	Coverage:	3/4
			Height:	3 Levels
			FAR, FSR:	1.5
			Building Lines:	Front: 6m, side and rear: as per scheme
			Parking Ratio:	1 bay per 15m ²
			Comments:	The subject property is a pre-scheme development; hence the controls were not applicable at the time of its construction.

NOTE: The information is as per the public records of the Local Authority's. A Town Planners report has not been provided confirming the accuracy of the information.

DATE OF VALUATION: 30 JUNE 2021

TENANCY SUMMARY

No	Property Name	Property Use	Tenancy Summary
1	Omniplace	Offices	The subject property is currently let by various tenants, with the Centurion Academy occupying 63% of the GLA. This tenancy commenced on 01 August 2019 and will terminate on 31 December 2024. The property is currently 7% vacant. The lease expiry profile is favourable.
2	Nyanga Shopping Centre	Retail	The subject property is currently let by a single tenant, KTC Family Liquor Store, who has been in occupation for many years. An offer to renew for a further five-year period was provided by the client with the rental being R32.31/m ² with 8% annual escalation.
3	Jan Niemand Spar	Retail	The subject property is currently let by Spar and Tops. A new corporate head lease is being signed with Spar HQ effective as of 01 July 2021, for a seven-year period. Spar rental has decreased to R193,500 (R90.46/m²), expiring 30 July 2028. Escalation of 6% applied in July each year. It must be commented that the Spar decrease in rental equates to 34%. When discussing the details with the client it was noted that the performance is flat and the rental had escalated above market norms. The residential dwelling is let by Mr Joseph Pududu and he has been in occupation for 3 to 4 years. The residential rental is based on the budget amount of R5,544 in July 2021 increasing to R5,987.52 from August 2021, as confirmed with the client.
4	Clubview Corner	Retail	The subject property is currently let by multiple tenants. The centre is anchored by Spar, with other tenants including Mica, The Queen Petshop, Tops Liquor, Pharmacy to name a few. The centre offers a favourable tenant mix with good synergies. At the time of preparing this report
5	Pick n Pay Vereeniging	Retail	The subject property is currently let by two tenants, Pick n Pay and Pep. The Pick n Pay lease expires 31 March 2026 and it is assumed that it will be renewed at R95/m² with 5% escalation (in line with current). Pep have renewed for an additional 2 years at a rental of R70/m² with only 5% escalation. This rental is 14% lower than the expiry rental and the escalation was previously 6.5%. There is first floor accommodation which was previously occupied by a church and has been mothballed. This space is not considered easily lettable and zero rental has been assigned for the purpose of this valuation. The lease expiry profile is considered favourable.
6	Bara Precinct, Soweto	Retail	The subject property is currently let by multiple tenants, with nationals and line shops. The tenant mix is well suited to the profile of the area with tenants such as Pick n Pay, JAM Clothing, McDonalds, Fish & Chips Co as well as many smaller independent retailers. The overall mix of tenants is considered well suited to the node, with offerings such as a pharmacy, banks, ATMS, hairdressers, tailors and fashion, funeral service, gambling and a hotel. The subject property comprises various buildings and the overall offering is considered favourable with strong synergies. The demand for retail units is good and this is expected to continue going forward. At the time of preparing the report, the centre was 6% vacant.

DATE OF VALUATION: 30 SEPTEMBER 2021

TENANCY SUMMARY

No	Property Name	Property Use	Tenancy Summary
1	CHEP Building	Offices	The property is let by a single tenant, namely CHEP. The lease expires on 31 November 2022 and the current rental is R278.50/m² for the offices and R117.02/m² for the balconies with 7.8% escalation. It must be noted that the client provided a copy of the letter intention of renewal from the property manager noting the proposed lease terms from the current tenant. The tenant has advised that they wish to renew the lease agreement, 8 months early with the lease renewal date being 01 March 2022. Chep will be leasing the building in its entirety, which is considered a very favourable consideration given the current market conditions and downsizing of many other corporate offices. The proposed terms are a 6-year renewal from 01 March 2022, with a reduced rental. The current rental is exceptionally high and above market norms; therefore, a rental reversion was anticipated. The proposed rental per the letter is R145/m² gross for the offices. However, the landlord indicated that this proposal will not be accepted, and they will counteroffer. At the time of preparing this report the negotiations were underway and the outcome not yet known. For the purpose of this market valuation, a market rental has been applied. The lease is a single tenancy, with a strong corporate profile.
2	Nonkqubela Mall	Retail	The subject property is multi-tenanted, with minimal vacancies evident just short of 3% at present. There are retail, ATM, and office units comprising the centre. It is worth reiterating that the centre comprises two discrete portions, one on either side of the pedestrian arcade. One portion is anchored by Shoprite (who recently renewed their lease for a 5 year term), and the other is anchored by Pick n Pay. It is considered important to note that over 70% of the total GLA at the subject property is occupied by national retailers/franchises which is considered a positive feature. The lease expiry profile is staggered which is considered favourable.
3	Macassar Retail Centre	Retail	The subject property comprises the Shoprite Macassar Centre, anchored by Shoprite and there are a number of line shops. The centre was recently expanded including the expansion of the Shoprite premises and the addition of a number of line shops. The centre is fully let, with strong demand. The lease expiry profile is staggered with leases expiry from 2021 to 2026. The lease expiry profile is considered favourable.
4	Westville Junction	Retail	The subject property is subject to various independent leases with varying lease periods. Pick 'n Pay anchor the centre occupying 2 323m² at a current rental of R124/m². The lease and its reviews will run till 30 April 2043. A Pick 'n Pay liquor lease runs alongside the main lease agreement. The lease expiry profile is considered good with a long anchor lease. At the time of preparing the report, the centre was 8% vacant.

No	Property Name	Property Use	Tenancy Summary
5	Nyanga Junction	Retail	The subject property is considered ideally located adjacent to the Nyanga train station (although not currently operating), is easily accessible and there is good footfall through the centre due to the train station being directly accessible from the first floor of the centre. Shoprite is the anchor tenant and the centre offers a number of line shops as well as a food court. There are a number of national tenants occupying the centre. Nyanga Junction currently has a 5% vacancy rate as at the time of preparing this report. This is attributed to tenant churn as the demand remains strong.
7	Shoprite Empangeni	Retail	The subject property has various independent leases with varying lease periods. The centre is anchored by Shoprite, with various line shops. The lease expiry profile is considered favourable with the anchor lease expiring in 2026 and a staggered lease profile. At the time of preparing this report there were no vacancies.
8	210 Church Street	Retail	The subject property is let by a single tenant, Mr Price and the lease expires on 31 August 2022. The current rental equates to R187/m² with 7% annual escalation.

DETAILS OF THE ARROWHEAD PROPERTY PORTFOLIO

Details of the Arrowhead property portfolio

The table below sets out the details of the properties within the Arrowhead Group's property portfolio as at 30 September 2021.

Property name	Physical address and province	Sector	GLA (m ²)	Valuation (R'000)	Purchase consideration (R'000) ³	Effective date of acquisition	Weighted average rental per square metre (R/m ²)
KwaZulu-Natal							
Lakeview Terrace	Richards Bay	Commercial	13 079	84 233	71 700	01 December 2011	120
Absa Cash Centre	Durban	Commercial	2 359	21 600	30 120	20 August 2012	119
Durban Receiver of Revenue	Durban	Commercial	23 105	229 900	180 000	04 August 2014	119
Pinetown Westmead Kyalami Park	Pinetown	Industrial	16 914	103 700	89 800	01 December 2016	68
Mkuze Plaza	Mkuza	Retail	8 535	60 211	39 800	01 December 2011	90
Montclair Mall	Durban	Retail	12 652	194 937	138 000	04 August 2014	145
			76 644	694 581			
Western Cape							
RCS	Goodwood	Commercial	7 143	94 300	59 000	10 July 2014	127
Parc Du Bel	Belville	Commercial	2 299	13 000	11 800	01 April 2016	89
Philippi Court	Cape Town	Commercial	1 357	14 800	13 500	01 April 2016	141
Cape Town Bellville Suntyger	Belville	Commercial	6 344	83 800	63 600	01 December 2016	138
Cape Town Bellville Tijger Park	Belville	Commercial	20 157	302 200	241 300	01 December 2016	150
1 Range Road	Cape Town	Industrial	15 450	60 523	41 000	04 October 2012	40
Cape Town Westgate Mall Shops	Weltevreden Valley	Retail	28 951	467 096	252 000	04 August 2014	137
Access Park	Claremont	Retail	20 481	810 000	640 395	04 August 2014	358
Oudehuis Centre	Somerset West	Retail	4 182	31 925	28 200	01 April 2016	104
			106 364	1 877 644			
Free State							
Odendaalsrus Shopping Centre	Odendaalsrus	Retail	3 683	55 538	31 100	01 April 2016	132
			3 689	55 538			

Property name	Physical address and province	Sector	GLA (m²)	Valuation (R'000)	Purchase consideration (R'000) ³	Effective date of acquisition	Weighted average rental per square metre (R/m²)
Gauteng							
Selby Building	Selby	Commercial	16 346	40 000	112 298	04 October 2012	170
Bridge On Bond	Ferndale	Commercial	12 243	75 924	111 792	30 November 2012	85
The District	Sunninghill	Commercial	3 888	25 721	51 450	10 December 2012	101
Crownwood Office Park	Northern Parkway	Commercial	13 347	96 604	112 000	01 March 2013	96
Lynnwood The Atrium	Lynnwood Glen	Commercial	5 037	31 421	44 369	28 October 2013	98
Urban Brew	Ferndale	Commercial	9 804	58 109	105 000	14 January 2014	45
1 Sturdee ⁵	Rosebank	Commercial	13 350	189 752	250 000	01 February 2014	140
MetalBox	Auckland Park	Commercial	14 984	96 169	103 000	04 August 2014	104
Jhb Rosebank 158 Offices	Rosebank	Commercial	19 510	171 800	204 000	04 August 2014	120
Media Shop	Morningside Manor	Commercial	2 522	13 140	49 300	01 April 2016	–
Bedfordview	Bedfordview	Commercial	9 221	66 800	82 200	01 April 2016	114
Lynnwood Botco Place	Lynnwood Glen	Commercial	493	2 800	7 700	01 April 2016	–
Endemol - Kent	Ferndale	Commercial	2 526	26 100	23 300	01 April 2016	122
The Main Change	City and Suburban	Commercial	5 268	19 451	44 300	01 April 2016	82
Sandton Bryanston St Andrews	Bryanston	Commercial	10 184	81 307	86 900	01 December 2016	81
Sandton Rivonia 36 Homestead	Rivonia	Commercial	2 410	23 629	32 000	01 December 2016	155
Sandton Sunninghill Place	Sunninghill	Commercial	8 139	83 871	85 900	01 December 2016	116
Jhb Isle of Houghton	Houghton Estate	Commercial	27 249	201 216	283 000	01 December 2016	96
Midrand IBC	Midrand	Commercial	8 515	74 936	71 100	01 December 2016	105
Pretoria Hatfield Festival Str	Pretoria	Commercial	5 317	37 803	55 000	01 December 2016	123
Pretoria High Court Chambers	Pretoria	Commercial	12 093	104 638	143 900	01 December 2016	192
Pretoria Lynnwood Excel Park	Lynnwood	Commercial	3 529	15 918	27 900	01 December 2016	102
Pretoria Lynnwood Sanlynn	Lynnwood Manor	Commercial	8 316	124 428	145 000	01 December 2016	189
Pretoria Lynnwood Sunwood Park	Queen's Crescent	Commercial	6 412	46 415	66 000	01 December 2016	112
Waterworld	North Riding	Industrial	6 524	29 700	35 344	01 June 2013	50
MCG	Malvern	Industrial	13 995	48 800	53 236	28 January 2014	33
Access City	New Doornfontein	Industrial	24 932	38 303	42 059	01 June 2014	31
Spark Schools	New Doornfontein	Industrial	6 278	23 558	25 483	01 June 2014	40
BEKA Candela	Olifantsfontein	Industrial	20 338	127 506	133 302	04 August 2014	59
46 Steel Road	Spartan	Industrial	3 790	15 400	16 000	01 April 2016	35
Diesel Road	Isando	Industrial	7 923	15 900	25 600	01 April 2016	39

Property name	Physical address and province	Sector	GLA (m²)	Valuation (R'000)	Purchase consideration (R'000)³	Effective date of acquisition	Weighted average rental per square metre (R/m²)
Creston	Spartan	Industrial	6 546	24 393	24 600	01 April 2016	41
JM Investments	Stormill	Industrial	2 700	6 400	10 700	01 April 2016	37
Virgin Active Benoni	Kleinfontein Lake	Industrial	3 154	11 821	25 800	01 April 2016	–
McCarthy Centre - Turffontein	City and Suburban	Industrial	5 935	15 986	26 700	01 April 2016	–
Kolbenco	Alrode	Industrial	12 660	21 029	27 200	01 April 2016	27
Lea Glen	Lea Glen	Industrial	3 411	11 300	12 600	01 April 2016	39
Simgold	Industria	Industrial	8 026	15 852	19 700	01 April 2016	26
Maverick Corner	Jeppetown	Industrial	1 570	9 500	13 000	01 April 2016	140
Germiston Route 24	Germiston	Industrial	35 016	186 000	177 800	01 December 2016	47
Randburg Trevallyn 1	Kya Sands	Industrial	32 006	152 635	144 000	01 December 2016	47
Roodepoort Robertville Indus	Roodepoort	Industrial	28 226	107 392	92 900	01 December 2016	35
Pretoria Silverton 22 Axle Str	Silverton	Industrial	1 817	9 826	11 300	01 December 2016	59
Pretoria Silverton 34 Bearing	Silverton	Industrial	5 000	27 900	26 200	01 December 2016	60
Pretoria Silverton 294 Battery	Silverton	Industrial	5 787	31 188	23 600	01 December 2016	51
Pretoria Silverton 301 Battery	Silverton	Industrial	3 784	18 100	18 500	01 December 2016	52
Pretoria Silverton 309 Battery	Silverton	Industrial	3 770	22 200	20 900	01 December 2016	60
Pretoria Silverton 330 Alwyn	Waltloo	Industrial	1 185	7 275	4 700	01 December 2016	51
Lyndhurst Square	Lyndhurst	Retail	6 352	62 345	60 000	17 February 2014	103
Clearwater Crossing	Roodepoort	Retail	10 092	65 951	76 000	04 August 2014	73
Pta Eersterust Shopping Centre	Eersterust	Retail	7 910	65 200	33 000	04 August 2014	83
Mall@TheJunction	Rosettenville	Retail	14 198	81 813	47 000	04 August 2014	70
Town Centre Boksburg	Boksburg	Retail	6 883	26 300	22 900	01 April 2016	54
Wonderboom Carvenience Centre	Annlin	Retail	10 526	88 500	54 200	20 November 2017	94
Alberton Voortrekker Rd	Alberton	Retail	5 099	26 501	26 000	05 December 2017	58
Boxer Boksburg	Boksburg	Retail	3 678	42 240	36 000	15 December 2017	127
Shoprite Brakpan	Brakpan	Retail	6 954	31 359	29 500	18 December 2017	60
Vereeniging Voortrekker Str	Vereeniging	Retail	2 539	16 284	13 000	21 December 2017	83
			539 307	3 192 409			

Property name	Physical address and province	Sector	GLA (m²)	Valuation (R'000)	Purchase consideration (R'000) ³	Effective date of acquisition	Weighted average rental per square metre (R/m²)
Limpopo							
Mae West Building	Pietersburg	Commercial	2 922	26 000	16 700	01 December 2011	131
18 Thabo Mbeki	Polokwane	Commercial	3 931	29 127	39 980	01 November 2018	106
79 Hans Van Rensburg	Polokwane	Commercial	875	2 558	8 400	01 November 2018	94
54 Schoeman	Polokwane	Commercial	2 001	12 000	14 560	01 November 2018	75
Trador	Polokwane	Industrial	15 001	53 953	45 100	01 November 2018	40
5 Sapphire	Polokwane	Industrial	1 840	4 530	4 090	01 November 2018	35
41 Emerald	Polokwane	Industrial	1 362	6 084	7 500	01 November 2018	76
Ellerines Thohoyandou	Thohoyandou	Retail	829	9 250	6 800	01 April 2016	120
Noor Centre	Louis Trichard	Retail	8 117	63 597	78 618	20 November 2017	122
Checkers Centre Louis Trichardt	Louis Trichard	Retail	7 894	105 300	72 397	20 November 2017	145
Hawarna Noor Centre	Louis Trichard	Retail	9 817	129 499	116 838	20 November 2017	170
Ellerines - Northam	Northam	Retail	877	6 500	7 036	01 October 2018	90
Thompsons Building	Makhado	Retail	3 727	18 500	31 500	01 November 2018	45
Game Centre	Thohoyandou	Retail	7 934	139 900	122 100	01 November 2018	171
FNB Building	Polokwane	Retail	2 370	27 866	31 400	01 November 2018	147
71 Biccard	Polokwane	Retail	877	5 900	5 950	01 November 2018	85
68 Hans van Rensburg	Polokwane	Retail	2 697	25 000	23 500	01 November 2018	109
			73 071	665 564			
North West							
127 Bethlehem Street	Rustenburg	Commercial	6 997	69 126	22 700	01 December 2011	153
Terminus Shopping Centre	Klerksdorp	Retail	11 377	105 400	57 600	01 July 2012	87
Midtown Mall	Rustenburg	Retail	17 456	234 510	178 000	01 September 2012	145
Transforum Centre	Rustenburg	Retail	4 777	202 200	72 000	01 March 2013	376
Impala Centre	Rustenburg	Retail	3 604	76 016	53 000	21 June 2013	220
OK Klerksdorp	Klerksdorp	Retail	7 931	15 499	22 400	01 April 2016	23
			52 142	702 751			

Property name	Physical address and province	Sector	GLA (m ²)	Valuation (R'000)	Purchase consideration (R'000) ³	Effective date of acquisition	Weighted average rental per square metre (R/m ²)
Northern Cape							
Kathu Shopping Centre	Kathu	Retail	5 088	51 500	30 000	01 December 2011	104
Taung Forum	Taung	Retail	10 231	109 800	67 200	01 December 2011	113
			15 319	161 300			
Eastern Cape							
The Arches	King Williams Town	Commercial	2 707	11 700	21 400	01 April 2016	115
Sterkspruit	Sterkspruit	Retail	6 733	71 600	46 500	13 September 2012	120
King Williams Town Market Sq	King Williams Town	Retail	13 264	133 962	86 000	04 August 2014	100
Cleary Park	Port Elizabeth	Retail	36 294	594 679	466 027	01 December 2015	150
Tsolo	Tsolo	Retail	4 097	30 000	30 000	01 April 2016	105
			63 095	841 941			
Mpumalanga							
Simunye Shopping Centre	Hazyview	Retail	6 538	23 176	28 600	01 December 2011	99
Matsulu Shopping Centre	Matsulu-A	Retail	6 087	73 351	60 500	12 August 2015	112
			12 625	96 527			
TOTAL			942 250	8 288 255			

Notes:

1. Not applicable as property is vacant.
2. The table above excludes properties that were sold after 30 September 2020.
3. The purchase consideration of the above properties excludes additional costs such as agent's commission and transfer costs. The Company was not able to obtain this information as the various acquisitions were undertaken several years ago. However, the Company confirms that these costs would have been immaterial in relation to the acquisition cost, and most acquisitions were done via package deals not subject additional costs such as agent's commission and transfer costs.
4. In line with the accounting policy of the Arrowhead Group, one third of the Arrowhead property portfolio is valued annually by independent valuers. In respect of the year ended 30 September 2021, one third of the properties were valued by each of Real Insight (Proprietary) Limited and Yield Enhancement Solutions (Proprietary) Limited (who are independent external registered professional valuers in terms of the Property Valuers Profession Act, No. 47 of 2000), with the remainder valued by the directors of Arrowhead as at reporting date on an open market basis. All properties are valued by independent external valuers at least once every three years.
5. This property is occupied by Arrowhead.

ACQUISITIONS AND VENDORS, DISPOSALS AND MATERIAL CONTRACTS

1. Acquisitions and vendors

Details of the vendors of material assets, including immovable properties, subsidiaries and investments, acquired by the Combined Group during the three years preceding the Last Practicable Date, or proposed to be purchased or acquired are detailed in the table below.

1.1 Assets acquired by Arrowhead

Description:	Acquisition by Arrowhead of the entire issued share capital of Fairvest via the Scheme	
Date of acquisition:	Scheme Operative Date	
Consideration:	Scheme Consideration Shares	
Valuation:	R2 097 335 171 (based on a share price of R2.08 per Fairvest Share at the Last Practicable Date)	
Reconciliation of consideration to net asset value:	Value of consideration paid	R2 097 335 171
	Value of the net assets attributable to the securities acquired ¹	R2 441 524 000
	Differential	R344 188 829
¹ As per Fairvest's audited results in respect of the year ended 30 June 2021		
Goodwill paid and manner in which was accounted for:	N/A as the Transaction gives rise to a gain on bargain purchase	
Loans incurred to finance acquisition:	Nil – the Scheme Consideration comprises AHB Shares	
Nature of asset acquired:	Fairvest Shares	
Name of vendor:	Scheme Participants	
Address of vendor:	Various – addresses of Fairvest Shareholders	
Name and address of the vendor shareholder:	N/A – The Scheme Shares are held by Fairvest Shareholders	
Price paid by vendor and date of acquisition by vendor if within preceding three years:	N/A – Fairvest is a public company listed on the JSE and the A2X, the shares of which are publicly traded	
Description:	Acquisition by Gemgrow of the entire issued share capital of Old Arrowhead	
Date of acquisition:	16 September 2019	
Consideration:	862 972 109 Gemgrow B shares	
Valuation:	R3 339 704 613 (based on share price of R3.87 as per Old Arrowhead's 2019 audited annual financial statements)	
Reconciliation of consideration to net asset value:	Value of consideration paid	R3 339 704 613
	Value of the net assets attributable to the securities acquired ¹	R3 882 105 000
	Differential	(R524 400 387)
¹ As per Gemgrow's audited results in respect of the interim period ended 31 March 2019		

Description:	Acquisition by Gemgrow of the entire issued share capital of Old Arrowhead		
Goodwill paid and manner in which was accounted for:	N/A as the transaction gave rise to a gain on bargain purchase		
Loans incurred to finance acquisition:	N/A – No loans were incurred		
Nature of asset acquired:	Ordinary shares		
Name of vendor:	The shareholders of Old Arrowhead		
Address of vendor:	Various		
Name and address of the vendor shareholder:	N/A – Old Arrowhead was a public company listed on the JSE, the shares of which were held by thousands of shareholders		
Price paid by vendor and date of acquisition by vendor if within preceding three years:	N/A – Old Arrowhead was a public company listed on the JSE, the shares of which are publicly traded		
Description and name of vendor:	Gemgrow and Cumulative entered into a subscription agreement with entities in the Moolman Group of companies (" Moolgem "), being Luvon Investments Proprietary Limited (" Luvon "), East and West Investments Proprietary Limited (" East and West "), Louis Trichardt Bousentrum Proprietary Limited (" Louis Trichardt ") in terms of which Cumulative subscribed for 31 010 A ordinary shares in Moolgem, valued at R628 565 20.		
Date of acquisition:	1 November 2018		
Consideration:	The consideration payable by Cumulative for the subscription shares was equal to 95% of the agreed value of the properties as at the effective date. The subscription consideration was settled as follows: - by way of the allotment and issue by Gemgrow of 10 264 434 fully paid up Gemgrow A shares at an issue price of R9.74 to Moolgem; and - the balance in the amount of R529 631 667, in cash.		
Valuation:	Name of Property	Agreed value (R)	Valuation (R)
	Property owned by Orion		
	Jane Furse Crossing, Limpopo	153 200 000	158 200 000
	Property owned by Orion		
	Game Centre, Thohoyandou, Limpopo	122 100 000	122 100 000
	Properties owned by East and West		
	Trador, Limpopo	43 200 000	45 100 000
	Thohoyandou CBD, Limpopo	38 990 000	39 500 000
	Thompsons Building, Makhado, Limpopo	32 800 000	31 500 000
	20 Trichardt, Makhado, Limpopo	27 900 000	28 900 000
	FNB Building, Limpopo	27 700 000	31 400 000
	68 Hans van Rensburg, Polokwane, Limpopo	17 000 000	23 500 000
	70 Landdros Mare, Polokwane, Limpopo	15 000 000	20 500 000
	79 Market, Polokwane, Limpopo	18 200 000	18 800 000
	The Crossing, Polokwane	18 000 000	18 720 000
	Geen and Richards, Tzaneen, Limpopo	16 626 000	16 600 000
	31 Nikkel, Polokwane, Limpopo	8 500 000	9 800 000
	79 Hans van Rensburg, Polokwane, Limpopo	8 400 000	8 400 000

Description and name of vendor:	Gemgrow and Cumulative entered into a subscription agreement with entities in the Moolman Group of companies (" Moolgem "), being Luvon Investments Proprietary Limited (" Luvon "), East and West Investments Proprietary Limited (" East and West "), Louis Trichardt Bousentrum Proprietary Limited (" Louis Trichardt ") in terms of which Cumulative subscribed for 31 010 A ordinary shares in Moolgem, valued at R628 565 20.		
	41 Emerald, Polokwane, Limpopo	7 200 000	7 500 000
	85 Kruger, Makhado, Limpopo	6 400 000	6 600 000
	99 Agatha, Tzaneen, Limpopo	5 900 000	7 700 000
	71 Biccard, Polokwane, Limpopo	5 900 000	5 950 000
	54 Jones, Kimberly, Northern Cape	5 600 000	5 500 000
	65 Silikon, Polokwane, Limpopo	4 500 000	4 500 000
	5 Sapphire, Polokwane Limpopo	3 800 000	4 090 000
	Properties owned by Louis Trichardt		
	18 Thabo Mbeki, Polokwane, Limpopo	34 900 000	39 980 000
	55 Voortrekker, Mokopane, Limpopo	21 800 000	21 000 000
	54 Schoeman, Polokwane, Limpopo	11 400 000	14 560 000
	54 Agatha, Tzaneen, Limpopo	7 600 000	7 830 000
	908 Hoofweg, Marble Hall, Limpopo	3 000 000	6 390 000
	Total	665 616 000	704 620 000
Reconciliation of consideration to net asset value:	N/A – The acquisition did not relate to securities purchased in a company that would become a subsidiary of Gemgrow		
Goodwill paid and manner in which was accounted for:	N/A – No goodwill was paid		
Loans incurred to finance acquisition:	R529 631 667		
Nature of asset acquired:	Rental enterprise		
Address of vendor:	Baobab House, Eastwood Office Park, 290 Lynwood Service Road		
Name and address of the vendor shareholder:	Moolman Group		
Price paid by vendor and date of acquisition by vendor if within preceding three years:	Unavailable, as this information is in relation to a vendor which is a private company and is not legally obliged to provide the information		

1.2 Assets acquired by Fairvest

Save as set out below, Fairvest did not acquire any material assets, including immovable properties, subsidiaries or investments during the three years preceding the Last Practicable Date.

Description:	Acquisition by Fairvest of 100% of the issued share capital of New Star		
Date of acquisition:	The Manco Internalisation Agreement was concluded on 30 July 2021, and the acquisition became effective on 1 October 2021		
Consideration:	R133 000 000		
Valuation:	New Star’s last reported net asset value for the year ended 28 February 2021 was R1 586 595		
Reconciliation of consideration to net asset value:	Value of consideration paid		R133 000 000
	Value of the net assets attributable to the securities acquired		R1 586 595
	Differential		R131 413 405
Goodwill paid and manner in which was accounted for:	N/A – No goodwill was paid.		
Loans incurred to finance acquisition:	N/A – The consideration was cash-settled		
Nature of asset acquired:	100% of the issued share capital in a property asset management company		
Name of vendor:	New Star Asset Management Proprietary Limited		
Address of vendor:	8th Floor, The Terraces, 34 Bree Street, Cape Town, 8001 (PO Box 50742, Waterfront, Cape Town, 8012)		
Name and address of the vendor shareholder:	Hilton Datnow (Address: 14/12 Brandels Street, Raanana, Israel) Marcus Family Trust (Address: 8th Floor, The Terraces, 34 Bree Street, Cape Town, 8001) Wilder Family Trust (Address: 8th Floor, The Terraces, 34 Bree Street, Cape Town, 8001) Labora Trust (Address: 46 Orange Street, Cape Town, 8001) Gelz Trust (Address: 46 Orange Street, Cape Town, 8001) Universal Long Term Investment Trust (Address: 6th Floor, Park Lane, Wierda Valley, Sandton, 2196)		
Price paid by vendor and date of acquisition by vendor if within preceding three years:	N/A – The shareholders of the vendor were the founders of New Star		

Description:	Acquisition of Qumbu Shopping Centre
Date of acquisition:	15 August 2019
Consideration:	Acquired at nominal amount and the property was developed
Valuation:	R68 800 000 as at 30 June 2020
Reconciliation of consideration to net asset value:	N/A – The acquisition did not relate to securities purchased in a company that would become a subsidiary of Fairvest
Goodwill paid and manner in which was accounted for:	N/A – No goodwill was paid
Loans incurred to finance acquisition:	Funded through shareholder loans in Qumbu Plaza (Pty) Ltd
Nature of asset acquired:	Retail property asset
Name of vendor:	Lease concluded with various owners of the property
Address of vendor:	–
Name and address of the vendor shareholder:	Stilopro (Pty) Ltd
Price paid by vendor and date of acquisition by vendor if within preceding three years:	Unavailable, as this information is in relation to a vendor which is a private company and is not legally obliged to provide the information
Description:	Acquisition of Nonkqubela Plaza
Date of acquisition:	23 August 2019
Consideration:	R82 876 181
Valuation:	R180 100 000 as at 30 June 2020
Reconciliation of consideration to net asset value:	N/A – The acquisition did not relate to securities purchased in a company that would become a subsidiary of Fairvest
Goodwill paid and manner in which was accounted for:	N/A – No goodwill was paid
Loans incurred to finance acquisition:	R80 000 000
Nature of asset acquired:	Retail property asset
Name of vendor:	Investec Property Fund Limited
Address of vendor:	100 Grayston Drive, Sandown, Sandton, 2196
Name and address of the vendor shareholder:	N/A – Investec Property Fund Limited is a public company listed on the JSE, the shares of which are held by thousands of shareholders
Price paid by vendor and date of acquisition by vendor if within preceding three years:	R150 000 000

1.3 Assets acquired by Indluplace

Indluplace did not acquire any material assets, including immovable properties, subsidiaries or investments during the three years preceding the Last Practicable Date.

2. Disposals

2.1 Assets disposed of by Arrowhead

Other than as set out below, Arrowhead has not disposed of any material immovable properties and/or fixed assets and/or business undertakings (being immovable properties, fixed assets or business undertakings) in the three years preceding the Last Practicable Date.

Sales and disposal of various property letting enterprises

On 8 October 2020, Arrowhead announced that the Company, through various Subsidiaries, had entered into the following sale agreements to dispose of certain immovable properties:

- (i) Sale by Arrowhead of the rental enterprise comprising Parow Industrial Park to Lemil Property Holdings Close Corporation, for an aggregate disposal consideration of R95 million on 3 September 2020 (the "**Parow Industrial Park Transaction**").
- (ii) Sale by Vividend Income Fund Limited, a Subsidiary of Arrowhead, of the rental enterprise comprising Durban Receiver of Revenue to Vtech Properties Proprietary Limited for an aggregate disposal consideration of R235 million on 22 September 2020 (the "**Durban Receiver of Revenue Transaction**"). The Durban Receiver of Revenue Transaction did not proceed as the relevant conditions precedent thereto were not fulfilled.
- (iii) Sale by Arrowhead of the property comprising Durban Valley View Industrial Park and assignment of the lease agreement in respect of Durban Valley View Industrial Park to Colkru Investments Proprietary Limited for an aggregate disposal consideration of R119 million on 30 August 2020 (the "**Durban Valley View Transaction**").
- (iv) Sale by Cumulative Properties Limited, a wholly-owned Subsidiary of Arrowhead, of the rental enterprise comprising Thohoyandou Shopping Centre for a disposal consideration of R39 million, together with the rental enterprise comprising Thohoyandou Centre for a disposal consideration of R32.5 million to Madiba Property Investments Proprietary Limited ("**Madiba Investments**") and sale by Arrowgem Limited, a wholly owned Subsidiary of Arrowhead, of the rental enterprise comprising Sibasa Shopping Centre to Madiba Investments for an aggregate disposal consideration of R37 million on 6 October 2020 (collectively, the "**Thohoyandou Transactions**").

The immovable properties disposed of comprised rental enterprises including the immovable properties and the respective rights and obligations in terms of existing lease agreements between Arrowhead (or its Subsidiaries) and the existing tenants occupying the immovable properties used in the operation of the rental enterprises.

Each of the Parow Industrial Park Transaction, the Durban Receiver of Revenue Transaction, the Durban Valley View Transaction and the Thohoyandou Transactions were classified as category 2 transactions in terms of the Listings Requirements, which did not require approval by Arrowhead Shareholders.

Disposal of Jane Furse Crossing to Depoway Proprietary Limited

On 7 September 2020, Arrowhead announced that Moolgem Proprietary Limited, a Subsidiary of Cumulative Properties Limited, which is a wholly owned Subsidiary of the Company, had, on 3 September 2020, entered into an agreement with Depoway Proprietary Limited to dispose of the rental enterprise comprising Jane Furse Crossing in Limpopo, as a going concern, for an aggregate disposal consideration which was finalised as R172 000 000 post the announcement (the "**Transaction**").

The Transaction was classified as a category 2 transaction in terms of the Listings Requirements which did not require approval by Arrowhead Shareholders.

2.2 Assets disposed of by Fairvest

Other than as set out below, Fairvest has not disposed of any material immovable properties and/or fixed assets and/or business undertakings (being immovable properties, fixed assets or business undertakings) in the three years preceding the Last Practicable Date.

Disposal of Tokai Junction

On 6 April 2020, Fairvest announced that it had entered into an agreement with FPG Holdings Proprietary Limited (the "**Purchaser**") on 3 April 2020, in terms of which the Fairvest had agreed to dispose of the shopping centre rental enterprise operated by Fairvest, commonly known as Tokai Junction ("**Rental Enterprise**"), including the property on which the Rental Enterprise is being conducted on situated at Erf 10800, Constantia, Cape Town to the Purchaser, as a going concern, for a disposal consideration of R190 000 000 ("**Disposal**").

The Disposal was classified as a category 2 transaction in terms of the Listings Requirements which did not require approval by Fairvest Shareholders.

3. Other material contracts entered into by Arrowhead and Fairvest

Other than as set out in paragraphs 1 to 2 above, there are no material contracts entered into by the Combined Group, any of its Major Subsidiaries or by any Subsidiary where it is material to the Combined Group, being restrictive funding arrangements and/or a contract entered into otherwise than in the ordinary course of the business carried on, or proposed to be carried on, by Combined Group or any of its Subsidiaries, and entered into within the two years prior to the Last Practicable Date, or entered into at any time and containing an obligation or settlement that is material to the Combined Group or its Subsidiaries at the Last Practicable Date.

FORECAST STATEMENTS OF COMPREHENSIVE INCOME OF THE COMBINED GROUP

Set out below are the forecast statements of comprehensive income for the Combined Group ("**Forecasts**") for the year ending 30 September 2022 and 2023 ("**Forecast Periods**").

The Forecasts, including the assumptions on which they are based and the financial information from which they are prepared, are the responsibility of the directors of Arrowhead. The Forecasts must be read in conjunction with the independent Reporting Accountants' assurance report thereon which is presented in **Annexure 11**.

The Forecasts have been compiled in full compliance with Arrowhead's IFRS accounting policies and on an aggregated basis for the Combined Group's property portfolio, with the exception of Indluplace, a Major Subsidiary of Arrowhead. Indluplace, was not consolidated into the Forecasts in respect of the Forecast Periods on the basis that the forecast financial information of Indluplace was not readily available, due to the information being restricted unpublished price sensitive information.

The expected distribution to be received from Indluplace was included in the forecast earnings under listed security income as the actual distribution to be paid by Indluplace in respect of the year ended 30 September 2021 of 28.13 cents per share, plus an assumed 5% in respect of each of the Forecast Periods ending 30 September 2022 and 30 September 2023.

R'000	Notes	Forecast for the year ending 30-Sep-22	Forecast for the year ending 30-Sep-23
Contractual rental income	3,4,5,6,7,8,18	1 827 582	1 902 690
Straight line rental income accrual	10	(19 498)	(33 503)
Dividends received and Listed securities income	16,17	88 152	88 152
Other income		–	–
Total revenue		1 896 236	1 957 339
Operating costs	9,10, 11	(729 996)	(784 635)
Administration costs		(101 427)	(105 861)
Profit from operations		1 064 813	1 066 843
Finance charges	12	(392 229)	(388 841)
Finance income	13	28 886	16 553
Contracted lease cancelation fees	19	(133 663)	–
Profit before capital expenses		567 807	694 555
Capital expenses	20	(79 165)	–
Profit before taxation		488 642	694 555
Taxation	21	–	–
Total comprehensive income for the year		488 642	694 555
Income for the year attributable to			
Equity shareholders of Arrowhead Properties Limited		453 643	679 903
Non-controlling interests		34 999	14 652
		488 642	694 555

R'000	Notes	Forecast for the year ending 30-Sep-22	Forecast for the year ending 30-Sep-23
Reconciliation of earnings and headline earnings			
Loss for the year attributable to Group's shareholders		453 643	679 903
<i>Adjusted for:</i>			
No adjustments			
Headline profit attributable to shareholders:		453 643	679 903
Number of AHA Shares in issue		62 718 658	62 718 658
Number of AHB Shares in issue		1 462 912 452	1 467 164 467
Total weighted average number of Arrowhead Shares in issue		1 525 631 110	1 529 883 125
Total weighted average number of Arrowhead Shares in issue (including dilutive)		1 535 941 972	1 535 941 972
Basic earnings per combined Arrowhead Shares in issue (cents)		29.73	44.44
Basic diluted earnings per combined Arrowhead Shares in issue (cents)		29.54	44.27
Headline earnings per combined Arrowhead Shares in issue (cents)		29.73	44.44
Headline diluted earnings per combined Arrowhead Shares in issue (cents)		29.54	44.27
Distributable earnings calculation			
Net property income		1 078 089	1 084 552
Straight-line rental income adjustment		19 498	33 503
Corporate administrative expenses		(101 428)	(105 861)
Dividend received and Listed securities income		88 152	88 152
Finance costs		(392 229)	(388 841)
Finance and other investment income		28 886	16 553
Non-controlling interest share of distribution		(34 999)	(14 652)
Distributable earnings	24	685 969	713 406
Distributable income per Arrowhead Share (cents)			
– AHA Share (cents)		126.22	132.53
– AHB Share (cents)		41.48	42.96

An analysis of the contractual nature of rental revenue is set out below:

	Notes	Forecast for the year ending 30-Sep-22 %	Forecast for the year ending 30-Sep-23 %
Contracted/uncontracted revenue split by rental income:			
% contracted rental revenue	4	85	63
% short-term rental revenue	4	2	0
% near-contracted revenue	5	12	35
% uncontracted rental revenue	6	1	2
		100	100

Forecast Notes and Assumptions

The Forecasts incorporate the following material assumptions in respect of revenue and expenses that can be influenced by the directors of Fairvest and Arrowhead:

1. The Forecasts for the years ending 30 September 2022 and 30 September 2023 are based on information derived from lease contracts, information provided by the property managers and historic information.
2. Fairvest and Arrowhead will not acquire any properties during the forecast periods, however, properties have been earmarked for disposal within the forecast periods. No revenues or related expenditure have been included in the Forecast Periods past the intended date of sale of each property. Per the forecast results presented, the disposal proceeds will be applied in reducing the borrowings of Arrowhead and consequently an overall comparable interest saving.
3. Revenue and recoveries include rental income and recoveries, of which the portion relating to basic rental income amounts to R1.353 billion for the year ending 30 September 2022 and R1.381 billion for the year ending 30 September 2023.
4. Contracted revenue is based on existing lease agreements, including stipulated increases, all of which are valid and enforceable. 85% and 63% of the rental income for the years ending 30 September 2022 and 30 September 2023 relates to contracted rental income respectively. No new leases have been taken into consideration in the Forecasts for the periods ending 30 September 2022 and 30 September 2023, with current vacant space assumed to remain vacant over the forecast period.
5. Near contracted rental income comprising revenue for leases that expire during the Forecast Periods which have a reasonable expectation of renewal represents 12% and 35% of rental revenue for the years ending 30 September 2022 and 30 September 2023 respectively. In determining the forecast renewal rental, management have assessed each lease individually with reference to the specific tenant and the current rental in comparison to the prevailing market rental rates. This assessment results in both decrease and increases in the forecast near contractual rental when compared to the last month contractual rental, however where an increase is forecast this is inflationary in nature.
6. Uncontracted rental revenue comprising revenue for leases that have expired before the start of the Forecast Period starts and where tenants currently occupy the premises on a month-to-month basis. This represents 1% for both the years periods ending 30 September 2022 and 30 September 2023. Uncontracted rental revenue is assumed to escalate at the rental escalation stipulated in the expired contract, which typically ranges from 6% to 8%.
7. Turnover rental (rental income based on the actual turnover of the tenant) has been forecast based on management's income budget for each property and given the trivial nature has been pro rata apportioned between contractual, near contractual and uncontracted rental income.
8. Current vacant space has been forecast on a property-by-property basis and has been assumed to remain vacant for the duration of the Forecast Period unless a tenant has been identified and a legally binding agreement has been finalised.
9. Property operating expenditure has been forecast by the property managers on a line-by-line basis based on management's review of historical expenditure, where available, and discussions with the property managers. On average these increases are inflation driven, but in certain cases are more than inflation based on specific circumstances, the increases range from 5% to 10%. The following tables presents the material expense at an account level over the forecast period:

R'000	Forecast 12 months to 30-Sep-22	Forecast 12 months to 30-Sep-23
Electricity	301 718	332 404
Rates and taxes	147 702	160 335
Salaries – head office and director remuneration	72 097	75 125
Security service contract	57 182	60 228
Property management fee	31 956	33 013

10. The following material expense items have increased or decreased by more than 15%:

Expense	% Change	Management reason
Property management fees	42%	Fairvest's property management fees were previously charged by New Star. In terms of the Fairvest Manco Internalisation, Fairvest has acquired New Star resulting in no management fee being paid, but instead Fairvest will incur the cost directly that New Star incurred.

No other material expense items increased or decreased by more than 15%.

11. Certain cost savings as a result of the Transaction are expected. These costs savings relate to savings as a result of Fairvest no longer being listed and certain Arrowhead executive and non-executive directors not being employed by the new merged entity. These cost saving are estimated at R10m for the year ending 30 September 2021 and R12 million for the year ending 30 September 2022.
12. Existing interest-bearing liabilities of R4.8 billion bear interest at a weighted average rate of 8.1% per annum, and for the purposes of the Forecasts, given the difficulty in forecasting variable rate interest due to the rates being linked to interbank rates outside the control of management, it is assumed that interest rates remain the same. In order to assist the reader to assess the impact of either an increase or decrease in the interbank rates, the below table is presented showing the impact of a 100 basis point increase and decrease in rates.

R'000	Forecast 12 months to 30-Sep-22	Forecast 12 months to 30-Sep-23
100 basis point increase in interest rates		
Increase in finance cost	14 883	16 768
Decrease in total comprehensive income	14 883	16 768
100 basis point decrease in interest rates		
Decrease in finance cost	14 883	16 768
Increase in total comprehensive income	14 883	16 768

13. Finance income predominantly relates to interest received on loans to participants of Arrowhead's group share purchase option schemes and interest received from loans receivable.
- The Forecasts incorporate the following material assumptions in respect of revenue and expenses that cannot be influenced by the directors of Fairvest and Arrowhead:
14. The Forecasts have assumed no vis majeure (acts of God, riots, political instability).
15. There will be no unforeseen economic factors that will affect the lessee's ability to meet their commitments in terms of existing lease agreements.
16. The Forecasts have been compiled in full compliance with Arrowhead's IFRS accounting policies and on an aggregated basis for the property portfolio, with the exception of Indluplace, a Major Subsidiary (61% held) of Arrowhead. Indluplace was not consolidated into the Forecasts. On the basis that the forecast financial information of Indluplace was not readily available, due to the information being restricted unpublished price sensitive information, rather the expected distribution to be received from Indluplace was included in the forecast earnings under 'Listed security income' and prepared based on Arrowhead management's best estimate of Indluplace's distribution. The expected distribution to be received from Indluplace was included in the forecast earnings under listed security income as the actual distribution to be paid by Indluplace in respect of the year ended 30 September 2021 of 28.13 cents per share, plus an assumed 5% in respect of each of the Forecast Periods ending 30 September 2022 and 30 September 2023.
17. A dividend contribution is forecast to be received from Dipula, a company in which Arrowhead has an investment (8.6%) and has been included in 'Listed security income' in the forecasts based on management's best estimate of Dipula's distribution.

18. Consumption based recoveries are consistent with the independent property valuers' property income statements.
19. In terms of the Fairvest Manco Internalisation, Fairvest management have accounted for the acquisition of New Star as a payment for the cancellation of the asset management agreement. This once off cost amounts to R133 million and has been included in the year ending 30 September 2022.
20. R79.2 million of once off transaction costs have been included in relation to the Fairvest Acquisition. These transaction costs are cumulative and include the transaction costs referred to in the Fairvest Circular.
21. The assumption was made that the pay-out ratio for the years ending 30 September 2022 and 30 September 2023 will be substantial enough to mitigate any income tax liabilities.
22. Reconciliation of total comprehensive income for the period to distributable earnings from the period:

R'000	Forecast 12 months to 30-Sep-22	Forecast 12 months to 30-Sep-23
Total comprehensive income for the period	488 642	694 555
Straight line rental income adjustment	19 498	33 503
Contracted lease cancellation fees	133 663	–
Capital expenses	79 165	–
Non-controlling interest share of distribution	(34 999)	(14 652)
Distributable earnings	685 969	713 406

INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON THE FORECAST FINANCIAL INFORMATION OF THE COMBINED GROUP

The Directors
3rd Floor Upper Building
1 Sturdee Avenue
Rosebank
Johannesburg
South Africa

30 November 2021

Dear Sirs

Independent Reporting Accountants' Assurance Report on the Combined Forecast Statements of Comprehensive Income for the combined Arrowhead Properties Limited ("Arrowhead")/Fairvest Property Holdings Limited ("Fairvest") group ("Combined Group")

Report on the identified property forecast information

We have undertaken a reasonable assurance engagement in respect of the accompanying combined property forecast of the Combined Group for the years ending 30 September 2022 and 30 September 2023 set out in **Annexure 10** of the revised listing particulars accompanying the circular to Arrowhead shareholders dated 10 December 2021 ("**Revised Listing Particulars**") , comprising the forecast statement of profit or loss and other comprehensive income and the vacancy and lease expiry profile of the property portfolio as a whole ("**the forecast information**"), as required by paragraph 13.15 of the JSE Limited ("**JSE**") Listings Requirements.

We have also undertaken a limited assurance engagement in respect of the directors of Arrowhead and Fairvest's ("**Directors**") assumptions used to prepare and present the forecast information, disclosed in **Annexure 10** to the Revised Listing Particulars, as required by paragraph 13.15 of the JSE Listings Requirements.

Directors' responsibility for the forecast information and for the assumptions used to prepare the forecast information

The Directors are responsible for the preparation and presentation of the forecast information and for the reasonableness of the assumptions used to prepare the forecast information as set out in **Annexure 10** to the Revised Listing Particulars in accordance with paragraphs 13.12 - 13.14 of the JSE Listings Requirements (JSE Limited Listings Requirements for forecast information). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the forecast information on the basis of those assumptions that is free from material misstatement, whether due to fraud or error.

Inherent Limitations

Actual results are likely to be different from the forecast information since anticipated events frequently do not occur as expected and the variation may be material. Consequently, readers are cautioned that this forecast may not be appropriate for purposes other than described in the purpose of the report paragraph below.

Our independence and quality control

We have complied with the independence and other ethical requirements of the Code of Professional Conduct for Registered Auditors issued by the Independent Regulatory Board for Auditors (IRBA Code), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour. The IRBA Code is consistent with the International Ethics Standards Board for Accountants Code of Ethics for Professional Accountants (Part A and B).

The firm applies International Standard on Quality Control 1 and, accordingly, maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Limited assurance conclusion on the reasonableness of the Directors' assumptions

Based on the procedures we have performed and evidence we have obtained, nothing has come to our attention that causes us to believe that the Directors' assumptions do not provide a reasonable basis for the preparation and presentation of the forecast information for the years ending 30 September 2022 and 30 September 2023.

Reasonable assurance engagement on the forecast information

Reporting accountant's responsibility

Our responsibility is to express an opinion based on the evidence we have obtained about whether the forecast information is properly prepared and presented on the basis of the Directors' assumptions disclosed in the notes to the forecast information (the assumptions) and in accordance with the JSE Listings Requirements for forecast information. We conducted our reasonable assurance engagement in accordance with International Standard on Assurance Engagements (ISAE) 3400, The Examination of Prospective Financial Information (ISAE 3400), issued by the International Auditing and Assurance Standards Board. That standard requires that we plan and perform this engagement to obtain reasonable assurance about whether such forecast information is properly prepared and presented on the basis of the Directors' assumptions disclosed in the notes to the forecast information and in accordance with the JSE Listings Requirements for forecast information.

A reasonable assurance engagement in accordance with ISAE 3400 involves performing procedures to obtain evidence that the forecast information is properly prepared and presented on the basis of the assumptions and in accordance with the JSE Listings Requirements for forecast information. The nature, timing and extent of procedures selected depend on the reporting accountant's judgement, including the assessment of the risks of material misstatement, whether due to fraud or error, of the forecast information. In making those risk assessments, we considered internal control relevant to the Combined Group's preparation and presentation of the forecast information.

Our procedures included:

- inspecting whether the forecast information is properly prepared on the basis of the assumptions;
- inspecting whether the forecast information is properly presented and all material assumptions are adequately disclosed, including a clear indication as to whether they are best-estimate assumptions; and
- inspecting whether the forecast statement of profit or loss and other comprehensive income is prepared on a consistent basis with the historical financial statements, using appropriate accounting policies.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion on the forecast information

In our opinion, the forecast information is properly prepared and presented on the basis of the assumptions and in accordance with the JSE Listings Requirements for forecast information for the years ending 30 September 2022 and 30 September 2023.

Purpose of the report

This report has been prepared for the purpose of satisfying the requirements of paragraph 13.15 of the JSE Listings Requirements and for no other purpose.

Report on other legal and regulatory requirements

In accordance with our responsibilities set out in the JSE Listings Requirements, paragraph 13.15(b), we have performed the procedures set out therein. If, based on the procedures performed, we detect any exceptions; we are required to report those exceptions. We have nothing to report in this regard.

Yours faithfully

BDO South Africa Incorporated

Chartered Accountants (SA)

Registered Auditors

J Barradas

Director

Registered Auditor

30 November 2021

Wanderers Business Park

52 Corlett Drive

Illovo

PRO FORMA FINANCIAL INFORMATION OF THE ARROWHEAD GROUP

The definitions and interpretations commencing on page 6 of the Revised Listing Particulars dated 10 December 2021 have been used throughout this Annexure. The *pro forma* financial information should be read in conjunction with **Section 3**, paragraph 6 of the **Revised Listing Particulars**.

Basis of preparation

The *pro forma* financial information has been prepared using the most recent financial period of Arrowhead, in terms of the JSE Listings Requirements and guidelines issued by the South African Institute of Chartered Accountants.

The published numbers have been extracted, without adjustment, from Arrowhead's reviewed condensed consolidated for the year ended 30 September 2021 as published on SENS on 24 November 2021, which can be accessed on Arrowhead's website at www.arrowheadproperties.co.za, and will be available for inspection as set out in **Section 4**, paragraph 9 of the Revised Listing Particulars.

The consolidated *pro forma* financial information, including the assumptions on which it is based and the financial information from which it has been prepared, is the responsibility of the Board. The consolidated *pro forma* financial information has been prepared in accordance with the JSE Listings Requirements, the Guide on *Pro forma* Financial Information issued by the South African Institute of Chartered Accountants and the accounting policies that comply with IFRS and that are consistent with those applied in the reviewed condensed consolidated results of Arrowhead for the year ended 30 September 2021 (the "**Consolidated Pro forma Financial Information**").

The Consolidated *Pro forma* Financial Information has been prepared for illustrative purposes only, based on current information available to management of Arrowhead, in order to provide information about the financial results and position of Arrowhead. Due to its nature, the Consolidated *Pro forma* Financial Information may not fairly present Arrowhead's financial position, changes in equity and results of operations or cash flows after accounting for the Fairvest Manco Internalisation and the Transaction, and are based on the assumptions that:

- (i) the effective date of the Transaction and the Fairvest Manco Internalisation are assumed to be 1 October 2020 for the purposes of the statement of profit and loss and other comprehensive income and 30 September 2021 for the purposes of the statement of financial position;
- (ii) for the purpose of calculating basic earnings per Arrowhead Share, diluted earnings per Arrowhead Share, headline earnings per Arrowhead Share and diluted headline earnings per Arrowhead Share, the Fairvest Manco Internalisation and the Transaction were implemented on 1 October 2020; and
- (iii) for the purpose of calculating net asset value per Arrowhead Share and net tangible asset value per Arrowhead Share, the Fairvest Manco Internalisation and the Transaction were implemented on 30 September 2021.

The accounting policies of Arrowhead that were applied in the reviewed condensed consolidated results for the year ended 30 September 2021 have been used in calculating the *pro forma* financial effects.

The independent reporting accountant's assurance report on the Consolidated *Pro forma* Financial Information is set out in **Annexure 13** of the **Revised Listing Particulars**.

Arrowhead Properties Limited

Pro forma Statement of Financial Position as at 30 September 2021

	Arrowhead as at 30 September 2021	Fairvest as at 30 June 2021	Fairvest – Acquisition of AHB Shares	Fairvest Manco Internalisation	Fairvest Manco Internalisation	Pro forma after the Fairvest Manco Internalisation	Acquisition of Fairvest by Arrowhead	Deemed disposal of existing investment	Transaction fees and associated costs	Consolidation adjustment – gain on bargain purchase and minority movement	Pro forma position after Fairvest consolidation
R'000	Note 1	Note 2	Note 3	Note 4	Note 5	Note 5.7.2	Note 6	Note 7			
ASSETS											
Non-current assets	11 914 978	3 612 219	41 788	109	3 654 116	1 032	–	(4 479 519)	15 527 306		
Investment property	11 297 977	3 319 421	–	–	3 319 421	–	–	–	14 617 398		
Right-of-use asset	–	3 794	–	–	3 794	–	–	–	3 794		
Loans receivable	–	215 833	–	–	215 833	–	–	–	215 833		
Investments	195 490	4 533	41 788	–	46 321	(41 788)	–	–	200 023		
Share scheme loans receivable	236 504	–	–	–	–	–	–	–	236 504		
Property, plant and equipment	5 060	161	–	109	270	–	–	–	5 330		
Deferred tax	38 678	–	–	–	–	–	–	–	38 678		
Operating lease and other receivables	–	2 137	–	–	2 137	–	–	–	2 137		
Investment in subsidiary	–	–	–	–	–	42 820	–	(4 479 519)	–		
Operating lease asset	141 269	66 340	–	–	66 340	–	–	–	207 609		
Current assets	429 552	174 430	–	3 629	178 059	–	–	–	607 611		
Current tax receivable	632	–	–	–	–	–	–	–	632		
Loans receivables	–	69 245	–	–	69 245	–	–	–	69 245		
Amounts owing by non-controlling interests	–	20 326	–	–	20 326	–	–	–	20 326		
Operating lease and other receivables	246 967	69 597	–	1 008	70 605	–	–	–	317 572		
Cash and cash equivalents	181 953	15 262	–	2 621	17 883	–	–	–	199 836		
Non-current assets held for sale	387 261	36 200	–	–	36 200	–	–	–	423 461		
Total assets	12 731 791	3 822 849	41 788	3 738	3 868 375	1 032	–	(4 479 519)	16 558 378		

	Arrowhead as at 30 September 2021	Fairvest as at 30 June 2021	Fairvest – Acquisition of AHB Shares	Fairvest Manco Internalisation	Pro forma after the Fairvest Manco Internalisation	Acquisition of Fairvest by Arrowhead	Deemed disposal of existing investment	Transaction fees and associated costs	Consolidation adjustment – gain on purchase and minority movement	Pro forma position after Fairvest consolidation
<i>R'000</i>										
EQUITY AND LIABILITIES										
Total equity	7 246 671	2 441 524	41 788	(132 076)	2 351 236	4 436 699	1 032	(79 165)	(4 479 519)	9 476 955
Stated capital	7 160 453	750 474	41 788	–	792 262	4 436 699	–	–	(7 160 453)	5 228 961
Retained earnings	(789 357)	1 524 458	–	(132 076)	1 392 382	–	1 032	(79 165)	789 357	1 314 249
Share based payments	10 199	–	–	–	–	–	–	–	–	10 199
Non-controlling interest	865 376	166 592	–	–	166 592	–	–	–	–	1 031 968
Gain on bargain purchase (Retained Earnings)	–	–	–	–	–	–	–	–	1 891 577	1 891 577
Liabilities										
Non-current liabilities	3 976 133	689 557	–	–	689 557	–	–	–	–	4 665 690
Interest-bearing borrowings	3 775 728	491 650	–	–	491 650	–	–	–	–	4 267 378
Amounts owing to non-controlling interests	–	121 384	–	–	121 384	–	–	–	–	121 384
Lease liability	39 177	19 480	–	–	19 480	–	–	–	–	58 657
Financial instrument liabilities	161 228	39 715	–	–	39 715	–	–	–	–	200 943
Deposits received	–	15 870	–	–	15 870	–	–	–	–	15 870
Deferred tax liability	–	1 458	–	–	1 458	–	–	–	–	1 458
Current liabilities	1 508 987	691 768	–	135 814	827 582	–	–	79 165	–	2 415 733
Interest-bearing borrowings	858 628	592 172	–	133 663	725 835	–	–	79 165	–	1 663 627
Amounts owing to non-controlling interests	–	8 429	–	–	8 429	–	–	–	–	8 429
Lease liabilities	5 359	1 340	–	–	1 340	–	–	–	–	6 699
Tax payable	–	–	–	–	–	–	–	–	–	–
Trade and other payables	645 000	89 827	–	2 151	91 978	–	–	–	–	736 978
Total equities and liabilities	12 731 791	3 822 849	41 788	3 738	3 868 375	4 436 699	1 032	–	(4 479 519)	16 558 378
Number of AHB Shares in issue	62 718 658									62 718 658
Number of AHB Shares in issue (Note 7)	951 422 029					545 045 125			(10 318 064)	1 486 149 090
NAV attributable to AHA Shares										733 181
NAV attributable to AHB Shares (Note 8)										7 711 805
Net asset value per AHA Share (R)	11.69									11.69
Net asset value per AHB Share (R)	5.94									5.19
Tangible net asset value per AHA Share (R)	11.69									11.69
Tangible net asset value per AHB Share (R)	5.90									5.16

Notes and assumptions:

1. Presents the consolidated statement of financial position extracted, without adjustment, from Arrowhead's reviewed condensed consolidated results for the year ended 30 September 2021 as published on SENS on 24 November 2021.
2. Presents the consolidated statement of financial position extracted, without adjustment, from Fairvest's audited published results for the year ended 30 June 2021.
3. On 13 October 2021 issued 19 088 414 Fairvest Shares to acquire 10 318 064 AHB Shares. The investment was recognised at the fair value of the AHB Shares on date of issue which was R4.05 per Fairvest Share.

In terms of paragraph 8.26 of the Listings Requirements no adjustment may be made to the *pro forma* financial information in respect of a post statement of financial position event unless it would be misleading not to make an adjustment. It is the Company's view that it would be misleading not to make the adjustment detailed in this note, given that:

- the 19 088 414 shares that Fairvest issued to acquire the AHB Shares will increase the number of AHB Shares Arrowhead will need to issue to acquire Fairvest; and
- the consideration determined with reference to IFRS 3 as set out in Note 5 below, will be impacted by the 10 318 064 AHB Shares and the deemed disposal of the investment in Arrowhead.

This has not been adjusted on the *pro forma* income statement as the dividend income on the AHB Shares that Fairvest would earn would eliminate in the Combined Entity.

4. In terms of the Fairvest Manco Internalisation, Fairvest acquires 100% of New Star shares in issue for a cash consideration of R133 million ("Cancellation Price"), of which R1.6 million is specifically for the acquisition of New Star's NAV and the remainder of R131.4 million is for the cancellation of the management contract. In assessing the accounting treatment of the acquisition, management have concluded that IFRS 3 should not be applied as the payment is in substance a payment for the cancellation of a contract, and even if IFRS 3 was to be applied this would only be an acquisition of a single asset being the management contract and not the acquisition of a business.

The Cancellation Price has been calculated on the basis that the cancellation will be neutral to forecast forward distributable earnings. The Cancellation Price will be fully funded with debt bearing interest at JIBAR plus 215 basis points, assumed to be 5.83% for the purpose of preparing the *pro forma*. The net *pro forma* results from the acquisition of New Star (in substance cancellation of a contract) is accounted for as follows:

- 4.1 Net assets of New Star of R1.6 million, being the sum of New Star's assets of R3.7 million less New Star liabilities of R2.1 million (before the assumption of R133.6 million interest bearing debt to fund the Cancellation Price and transaction costs of R662 500), are brought into Fairvest's statement of financial position at their carrying value as at 28 February 2021. The net assets have been extracted, without adjustment, from New Star's reviewed financial results for the year ended 28 February 2021, on which BDO issued an unqualified review opinion.
 - 4.2 Retained earnings is adjusted for transaction costs of R662 500 and cancellation expense of R131.4 million being the Cancellation Price less the transaction costs of R662 500 less the New Star net asset value of R1.6 million as at 28 February 2021.
 - 4.3 Short-term interest-bearing debt raised equal to the Cancellation Price and transaction costs expensed of R662 500.
5. Arrowhead will acquire 100% of the issued share capital of Fairvest by issuing the Scheme Consideration Shares to Fairvest Shareholders at the Share Swap Ratio, being 0.54054 AHB Shares for 1 Fairvest Share, resulting in Arrowhead issuing 545 045 125 new AHB Shares to acquire 1 008 334 490 Fairvest Shares.

For accounting purposes under IFRS 3: Business Combinations, the Transaction will be treated as the acquisition of Arrowhead by Fairvest even though, legally, Arrowhead is the acquirer and will be the entity which will issue the Scheme Consideration Shares to Fairvest Shareholders. Applying the guidance contained in IFRS 3: B15-B17 the acquirer was identified as Fairvest. The following factors were considered in identifying the acquirer:

- 5.1 The acquirer is usually the combining entity whose owners as a group retain or receive the largest portion of the voting rights in the combined entity. Due to the commonality in shareholders across Arrowhead and Fairvest, there will be no change in the specific shareholders who will have the largest portion of voting rights in the Combined Group.
- 5.2 After the implementation of the Scheme, Fairvest's Chief Executive Officer and Chief Financial Officer will continue in their respective roles in the Combined Group. Furthermore, 5 of the 8 proposed non-executive directors will be selected from the Fairvest Board.
- 5.3 Arrowhead is significantly greater in net asset value, revenue and profit than Fairvest.
- 5.4 The Transaction was initiated by Fairvest and the current Scheme is an alternative to the implementation of the Fairvest Acquisition approved by Fairvest Shareholders at the Fairvest general meeting held on 7 September 2021. The Transaction is both led by Fairvest and controlled by Fairvest in that Fairvest can ultimately revert to the Fairvest Acquisition to obtain control of Arrowhead.

Irrespective of who the acquirer is, there would be a bargain purchase on acquisition due to both companies trading at a discount to their NAV. Therefore, neither entity would be paying a premium.

While the fact that Arrowhead is the legal acquirer and is relatively larger than Fairvest in terms of NAV, revenue, and profit, Fairvest is of the view that these factors are overridden by the fact that Fairvest controls the appointment of the board of directors of the Combined Group through the Implementation Agreement, Fairvest initiated the Transaction and Fairvest controls the terms of the Transaction as they can revert to the alternative Fairvest Acquisition approved by Fairvest Shareholders which would result in Fairvest obtaining control of Arrowhead, and the senior management of Fairvest will replace the senior management of Arrowhead.

The Transaction is accounted for as follows:

- 5.5 On acquisition date, an investment in Arrowhead is recognised at the fair value of the Scheme Consideration transferred by the accounting acquirer (Fairvest) and a corresponding increase in the stated capital by way of the issue of the Scheme Consideration Shares by Arrowhead.
- 5.6 In accordance with IFRS 3, the Scheme Consideration is calculated as the number of equity interest the legal subsidiary (Fairvest) would have had to issue to give the owners of the legal parent (Arrowhead) the same percentage equity interest in the Combined Group that results from a reverse acquisition (IFRS 3: B20).

The percentage equity interest of the legal parent (Arrowhead) will have in the Combined Group was calculated based on the economic rights of the AHA Shares and the AHB Shares with reference to their spot price on the Last Practicable Date. As a result, existing Arrowhead Shareholders will own 68% and the Fairvest Shareholders will own 32% of the equity interest of the Combined Group.

Therefore, Fairvest would have to issue 2 152 116 962 Fairvest Shares for Arrowhead Shareholders to own a 68% economic interest in the legal subsidiary (Fairvest).

However, as Fairvest hold 10 318 064 AHB Shares, Fairvest will be issued 19 088 414 Fairvest Shares, which are deemed treasury shares for the purposes of calculating the deemed purchase price in 5.7.1.

- 5.7 The fair value of the Scheme Consideration transferred was calculated as R4.47 billion, being:
- 5.7.1 R4.43 billion being the deemed issue of 2 133 028 524 (2 152 116 962 total Fairvest Shares less the 19 088 414 Fairvest Shares deemed to be treasury) Fairvest Shares multiplied by R2.08, the Fairvest closing share spot price on the Last Practicable Date; plus
- R42.82 million being the deemed disposal of the existing investment in AHB Shares at their fair value of R42.82 million calculated at the spot price of R4.15 per AHB Share at the Last Practicable Date, with the difference between the original acquisition fair value of R41.78 million and the fair value of R42.82 million resulting in a fair value gain of R1.032 million.
6. Transaction and share issue costs of R58.9 million, as well as the exit payments totalling R20.3 million to be paid to the Departing Executives in terms of the Departing Executive Termination Agreements (as agreed between the Arrowhead Board and the Departing Executives), are all funded by interest bearing debt, and are treated as follows:
- 6.1 Transaction costs of R58.9 million directly attributable to the deemed acquisition of Arrowhead have been recognised as an expense in the statement of comprehensive income.
- 6.2 These transaction costs are cumulative and include the transaction costs of R23.8 million referred to in the Fairvest Circular.
- 6.3 The Arrowhead Board reached agreement with each of Mr Mark Kaplan and Mr Junaid Limalia on the terms on which they will resign as Arrowhead's Chief Executive Officer and Chief Financial Officer, respectively, should the Scheme become operative. The agreed cash payments to the departing executives are:
- 6.3.1 R11.7 million in respect of Mr Mark Kaplan; and
- 6.3.2 R8.6 million in respect of Mr Junaid Limalia.
- The terms of the executives' departure are in accordance with the principles set out in the Implementation Agreement, which principles include that any termination payments will not exceed the amounts to which they would have been entitled in terms of their existing employment contracts, in the case of a change of control resulting in their removal or replacement and as formalised in the Departing Executive Termination Agreements.
7. The consolidated financial statements represent the continuation of the financial statements of the legal subsidiary (Fairvest) except for its capital structure. In accordance with IFRS 3: Business Combinations, the following consolidation adjustments are passed:
- 7.1 Elimination of the investment in subsidiary of R4.47 billion.
- 7.2 No adjustment applied to bring the NAV of Arrowhead to fair value as the assets and liabilities already approximate fair value in the statement of financial position.
- 7.3 Elimination of Fairvest's share of the remaining retained earnings and stated capital.
- 7.4 Recognition of R1.89 billion gain on bargain purchase being the difference between the Consideration and Arrowhead's retained earnings and stated capital attributable to parent shareholders.
- 7.5 The 10 318 064 AHB Shares owned by Fairvest become treasury shares in the Combined Group.
8. The ordinary shares of the Combined Entity reflect the equity structure of the Arrowhead, including the equity interest of Arrowhead issued to effect the combination.
9. AHB Shares in issue of 951 422 029 plus 545 045 125 AHB Shares issued in consideration for Fairvest Shares, excluding treasury shares, minus 10 318 064 AHB Shares already owned by Fairvest resulting in total ordinary shares in issue of 1 486 149 090 used in calculating the NAV and tangible NAV per AHB Share for the Combined Group.
10. There are no material subsequent events that require adjustments to the *pro forma* financial information.

Arrowhead Properties Limited

Pro forma Statement of profit or loss and other comprehensive income for the year ended 30 September 2021

<i>R'000</i>	Arrowhead for the 12 months ended 30 September 2021	Fairvest for the year ended 30 June 2021	Fairvest Manco Internalisation	Fairvest Manco Internalisation	Consolidation adjustment	Deemed disposal of existing investment	Adjustments for transaction fees and finance costs	<i>Pro forma</i> position after Fairvest consolidation
	<i>Note 1</i>	<i>Note 2</i>	<i>Note 3</i>	<i>Note 4</i>	<i>Note 5</i>	<i>Note 6</i>		
Property revenue	1 976 752	550 113	–	–	–	–	–	2 526 865
Rental income – contractual and tenant recoveries/revenue	2 000 708	541 348	–	–	–	–	–	2 542 056
Straight-line adjustment	(23 956)	8 765	–	–	–	–	–	(15 191)
Sundry income	20 557	3 541	2 436	–	–	–	–	26 534
Property expenses	(884 032)	(198 759)	463	–	–	–	–	(1 082 328)
Net property income	1 113 277	354 895	2 899	357 794	–	–	–	1 471 071
Corporate administrative expenses	(134 346)	(31 079)	(6 436)	(37 515)	–	–	(79 165)	(251 025)
Operating profit	978 931	323 816	(3 537)	320 279	–	–	(79 165)	1 220 046
Fair value adjustment to investment property	(818 246)	72 882	3 008	75 890	–	–	–	(742 356)
Fair value adjustment to derivative financial instruments	197 058	27 863	–	27 863	–	–	–	224 921
Fair value adjustment to investments	118 644	(285)	–	(285)	1 032	–	–	119 391
Fair value adjustments – other	108 868	–	–	–	–	–	–	108 868
Gain on bargain purchase	–	–	–	–	1 891 577	–	–	1 891 577
Finance costs	(427 786)	(99 485)	(7 797)	(107 282)	–	–	(4 618)	(539 685)
Contract cancellation fees	–	–	(131 413)	(131 413)	–	–	–	(131 413)
Finance and other investment income	–	25 912	1	25 913	–	–	–	25 913
Impairment of loan receivable	–	(15 765)	–	(15 765)	–	–	–	(15 765)
Profit before capital expenses	157 469	334 938	(139 737)	195 201	1 891 577	1 032	(83 782)	2 161 496
Capital expenses	–	(2 385)	–	(2 385)	–	–	–	(2 385)
Profit before taxation	157 469	332 553	(139 737)	192 816	1 891 577	1 032	(83 782)	2 159 111
Income tax expense	(18 791)	107	(38)	69	–	–	–	(18 722)
Total comprehensive profit/(loss) for the period	138 678	332 660	(139 775)	192 885	1 891 577	1 032	(83 782)	2 140 389
<i>Profit and total comprehensive income attributable to:</i>								
Owners of the parent	181 197	289 342	(139 775)	149 567	1 891 577	1 032	(83 782)	2 139 590
Non-controlling interests	(42 519)	43 318	–	43 318	–	–	–	799
Total comprehensive profit/(loss) for the period	138 678	332 660	(139 775)	192 885	1 891 577	1 032	(83 782)	2 140 389
Weighted average number of Arrowhead Shares (excluding treasury shares)								
Basic earnings per Arrowhead Share (cents)	1 020 940 673				545 045 125		(10 318 064)	1 555 667 734
Diluted earnings per Arrowhead Share (cents)	17.75							137.54
Headline earnings per Arrowhead Share (cents) (Note 7)	17.57							136.63
Diluted headline earnings per Arrowhead Share (cents) (Note 7)	90.33							59.64
Distribution per AHB Share (cents)	89.43							59.25
	47.72							44.10

Notes and assumptions:

1. Presents the consolidated statement of profit and loss and other comprehensive income extracted, without adjustment, from Arrowhead's reviewed condensed consolidated results for the year ended 30 September 2021 as published on SENS on 24 November 2021.
2. Presents the consolidated statement of profit and loss and other comprehensive income extracted, without adjustment, from Fairvest's published audited results for the year ended 30 June 2021.
3. Per note 2 in the *pro forma* statement of financial position, in terms of the Fairvest Manco Internalisation, Fairvest management have accounted for the acquisition of New Star as a payment for the cancellation of the asset management agreement. The accounting to give effect to this in the statement of profit and loss and other comprehensive income is as follows:
 - 3.1 The income and expenses have been extracted, without adjustment, from New Star's reviewed financial results for the year ended 28 February 2021, on which BDO issued an unqualified review opinion.
 - 3.2 Additional income of R2.4 million accruing to Fairvest in respect of third-party fees earned by New Star.
 - 3.3 Reversal of R463 071 letting commission previously capitalised and amortised.
 - 3.4 Assumption of additional corporate administrative costs of R6.4 million calculated as follows:
 - 3.4.1 New Star's total expenses of R20.7 million less corporate expense savings of R14.9 million attributable to Fairvest; and
 - 3.4.2 recognition of transaction costs of R662 500 directly attributable to the Fairvest Manco Internalisation.
 - 3.5 Fair value adjustments of R3 million to investment property in respect of expenses capitalised.
 - 3.6 Additional finance cost at an assumed interest rate of 5.83% (JIBAR plus 215 basis points) on debt of R133.7 million utilised to fund the Fairvest Manco Internalisation and associated transaction costs.
 - 3.7 Cancellation cost of R131.4 million equal to the difference between the Cancellation Price and the carrying value of New Star's net assets as at 28 February 2021.
4. Recognition of bargain purchase on acquiring a controlling interest in Arrowhead. Details provided in note 7 to the *pro forma* statement of financial position.
5. Refer note 5.7.2 in the notes to the *pro forma* statement of financial position.
6. R58.59 million of transaction costs, as well as the exit payments to be paid to the Departing Executives totalling R20.3 million, and R4.6 million of finance costs on debt utilised to fund transaction costs associated with the Fairvest Acquisition and issue of AHB Shares in relation thereto. These transaction costs are cumulative and include the transaction costs of R23.8 million referred to in the Fairvest Circular.
7. Reconciliation between profit attributable to Arrowhead Shareholders and headline earnings per Arrowhead Share:

	R'000
Comprehensive income attributable to owners of the parent	2 139 590
Adjusted for:	
Fair value adjustments	742 356
Non-controlling interest portion of the fair value adjustments	(92 754)
Loss on sale of investment property	30 246
Loss on sale of investment property – non-controlling interest	
Gain on bargain purchase	(1 891 577)
Headline profit attributable to Arrowhead Shareholders	927 681
Headline earnings per Arrowhead Share (cents)	59.64
Diluted headline earnings per Arrowhead Share (cents)	59.25

INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON THE COMPILATION OF THE *PRO FORMA* FINANCIAL INFORMATION OF THE ARROWHEAD GROUP

The Directors
 Arrowhead Properties Limited
 3rd Floor Upper Building
 1 Sturdee Avenue
 Rosebank
 Johannesburg
 South Africa

30 November 2021

Dear Sirs/Mesdames

INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON THE COMPILATION OF THE *PRO FORMA* FINANCIAL INFORMATION OF Arrowhead properties Limited ("ARROWHEAD" OR "THE COMPANY")

We have completed our assurance engagement to report on the compilation of the *pro forma* financial information of Arrowhead by the directors of Arrowhead (the "**Directors**"). The *pro forma* financial information, as set out in **Annexure 12** of the revised listing particulars to be issued on or about 10 December 2021 ("**the RLP**"), consists of the *pro forma* statement of financial position, the *pro forma* statement of comprehensive income and related notes. The applicable criteria on the basis of which the Directors have compiled the *pro forma* financial information are specified in the JSE Listing Requirements and described in **Annexure 12**.

The *pro forma* financial information has been compiled by the Directors to illustrate the impact of the corporate actions or events, described in **Section 3**, paragraph 6 of the RLP, on the Company's financial position and performance as at 30 September 2021, as if the corporate action or event had taken place at 30 September 2021 for statement of financial position and 1 October 2020 for statement of comprehensive income purposes. As part of this process, information about the Company's financial position and performance has been extracted by the Directors from the Company's published reviewed condensed consolidated results for the period ended 30 September 2021.

Directors' responsibility for the *pro forma* financial information

The Directors are responsible for compiling the *pro forma* financial information on the basis of the applicable criteria specified in the JSE Listing Requirements and described in **Annexure 12** of the RLP and as described in the notes to the consolidated *pro forma* statement of financial position and *pro forma* statement of comprehensive income.

Our independence and quality control

We have complied with the independence and other ethical requirements of Sections 290 and 291 of the Independent Regulatory Board for Auditors' Code of Professional Conduct for Registered Auditors (Revised January 2018) and parts 1 and 3 of the Independent Regulatory Board for Auditors' Code of Professional Conduct for Registered Auditors (Revised November 2018) (together the "**IRBA Codes**"), which are founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour. The IRBA Codes are consistent with the International Ethics Standards Board for Accountants Code of Ethics for Professional Accountants (Parts A and B).

The firm applies the International Standard on Quality Control 1, Quality Control for Firms that Perform Audits and Reviews of Financial Statements, and Other Assurance and Related Services Engagements and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Reporting accountants' responsibility

Our responsibility is to express an opinion about whether the *pro forma* financial information has been compiled, in all material respects, by the Directors on the basis specified in the JSE Listing Requirements based on our procedures performed.

We conducted our engagement in accordance with the International Standard on Assurance Engagements (ISAE) 3420, Assurance Engagements to Report on the Compilation of *Pro Forma* Financial Information included in a Prospectus issued by the International Auditing and Assurance Standards Board. This standard requires that we plan and perform procedures to obtain reasonable assurance about whether the *pro forma* financial information has been compiled, in all material respects, on the basis specified in the JSE Listings Requirements.

For purposes of this engagement, we are not responsible for updating or reissuing any reports or opinions on any historical financial information used in compiling the *pro forma* financial information, nor have we, in the course of this engagement, performed an audit or review of the financial information used in compiling the *pro forma* financial information.

As the purpose of *pro forma* financial information included in the RLP is solely to illustrate the impact of a significant corporate action or event on unadjusted financial information of the entity as if the corporate action or event had occurred or had been undertaken at an earlier date selected for purposes of the illustration, we do not provide any assurance that the actual outcome of the event or transaction would have been as presented.

A reasonable assurance engagement to report on whether the *pro forma* financial information has been compiled, in all material respects, on the basis of the applicable criteria involves performing procedures to assess whether the applicable criteria used in the compilation of the *pro forma* financial information provides a reasonable basis for presenting the significant effects directly attributable to the corporate action or event, and to obtain sufficient appropriate evidence about whether:

- the related *pro forma* adjustments give appropriate effect to those criteria; and
- the *pro forma* financial information reflects the proper application of those adjustments to the unadjusted financial information.

Our procedures selected depend on our judgment, having regard to our understanding of the nature of the Company, the corporate action or event in respect of which the *pro forma* financial information has been compiled, and other relevant engagement circumstances.

Our engagement also involves evaluating the overall presentation of the *pro forma* financial information.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

In our opinion, the *pro forma* financial information has been compiled, in all material respects, on the basis of the applicable criteria specified by the JSE Listing Requirements and described in **Annexure 12** of the RLP.

Consent

This report on the *pro forma* statement of financial position and *pro forma* statement of comprehensive income is included solely for the information of the shareholders of the Company. We consent to the inclusion of our report on the *pro forma* statement of financial position, *pro forma* statement of comprehensive income and the references thereto, in the form and context in which they appear.

Yours faithfully

BDO South Africa Incorporated

Chartered Accountants (SA)

Registered Auditors

per B van der Walt

Chartered Accountant (SA)

Registered Auditor

JSE Reporting Accountant Specialist

119 – 123 Hertzog Boulevard, Foreshore,
Cape Town, 8001

INDEPENDENT REPORTING ACCOUNTANTS' REVIEW CONCLUSION ON THE VALUATION AND EXISTENCE OF THE ASSETS AND LIABILITIES ACQUIRED BY ARROWHEAD

The Directors
 Arrowhead Properties Limited
 3rd Floor Upper Building
 1 Sturdee Avenue
 Rosebank
 Johannesburg
 South Africa

30 November 2021

Dear Sirs/Mesdames

INDEPENDENT REPORTING ACCOUNTANTS' REVIEW CONCLUSION ON THE VALUATION AND EXISTENCE OF THE ASSETS AND LIABILITIES ACQUIRED BY ARROWHEAD PROPERTIES LIMITED ("ARROWHEAD" OR "THE COMPANY")

We have reviewed the assets and liabilities acquired by Arrowhead reflected in the Fairvest Property Holdings Limited net of disposals and adjustments columns ("**the adjustment columns**") of the *pro forma* statement of financial position included in **Annexure 12** of the revised listing particulars to be issued on or about 10 December 2021 ("**the RLP**") as required by paragraph 13.16(e) of the JSE Limited Listings Requirements.

Directors' responsibility for the *pro forma* financial information

The directors of Arrowhead ("**Directors**") are responsible for the preparation and presentation of the financial information in accordance with paragraph 13.16 (a)-(d) of the JSE Limited Listing Requirements (the JSE Limited Listings Requirements for the adjustment columns of the *pro forma* statement of financial position), as set out in Note 2 of the *pro forma* statement of financial position, and for such internal controls as the Directors determine is necessary to enable the preparation of the financial information that is free from material misstatement, whether due to fraud or error.

Reporting accountants' responsibility

Our responsibility is to express a conclusion on the financial information. We conducted our review in accordance with the International Standard on Review Engagements (ISRE) 2400 (Revised), Engagements to Review Historical Financial Statements (ISRE 2400 (Revised)). ISRE 2400 (Revised) requires us to conclude whether anything has come to our attention that causes us to believe that the financial information, taken as a whole, is not prepared in all material respects in accordance with the JSE Limited Listings Requirements and that the assets and liabilities are not fairly valued, do not exist and are not fairly presented, in all material respects, in accordance with the accounting policies adopted by Fairvest and the recognition and measurement criteria of IFRS for the adjustment column of the *pro forma* statement of financial position. This Standard also requires us to comply with relevant ethical requirements.

A review of financial information in accordance with ISRE 2400 (Revised) is a limited assurance engagement. The reporting accountant performs procedures, primarily consisting of making inquiries of management and others within the entity, as appropriate, and applying analytical procedures, and evaluates the evidence obtained.

The procedures performed in a review are substantially less than those performed in an audit conducted in accordance with International Standards on Auditing. Accordingly, we do not express an audit opinion on the financial information.

Opinion

Based on our review, nothing has come to our attention that causes us to believe that the financial information is not prepared, in all material respects, in accordance with the JSE Limited Listings Requirements and that the assets and liabilities are not fairly valued, do not exist and are not fairly presented, in all material respects, in accordance with the accounting policies adopted by Fairvest and the recognition and measurement criteria of IFRS for the adjustment columns of the *pro forma* statement of financial position, as set out in the notes to the *pro forma* statement of financial position.

Purpose of the report

This report has been prepared for the purpose of satisfying the requirement of paragraph 13.16(e) of the JSE Limited Listing Requirements, and for no other purpose.

Yours faithfully

BDO South Africa Incorporated

Chartered Accountants (SA)

Registered Auditors

per B van der Walt

Chartered Accountant (SA)

Registered Auditor

JSE Reporting Accountant Specialist

*119 – 123 Hertzog Boulevard, Foreshore,
Cape Town, 8001*

CAPITAL STRUCTURE

1. Alterations to authorised share capital

In respect of Arrowhead:

- i. There have been no sub-divisions or consolidations of Arrowhead Shares during the three years preceding the Last Practicable Date.
- ii. There have been no other alterations to the authorised share capital of the Company in the three years preceding the Last Practicable Date.

In respect of Fairvest:

- i. There have been no sub-divisions or consolidations of Fairvest Shares during the three years preceding the Last Practicable Date.
- ii. On 7 September 2021, Fairvest Shareholders approved the increase of Fairvest's authorised share capital from 3 000 000 000 ordinary shares of no par value to 6 000 000 ordinary shares of no par value, ranking *pari passu* in all respects with the existing ordinary shares in the authorised share capital of Fairvest.
- ii. Save as set out above, there have been no other alterations to the authorised share capital of Fairvest in the three years preceding the Last Practicable Date.

2. Voting rights and other rights attached to shares

In respect of Arrowhead:

The voting rights and other rights attached to Arrowhead Shares are detailed in paragraph 20 of the MOI and in paragraph 20 of **Annexure 5**.

In respect of Fairvest:

- i. The rights attaching to Fairvest Shares are set out in Annexure 5 of the Fairvest Revised Listing Particulars, which document is incorporated by reference in accordance with paragraph 8 of **Section 4**.
- ii. In accordance with Fairvest's memorandum of incorporation, during any vote at any general meeting every person present and entitled to exercise voting rights shall be entitled to one vote on a show of hands, irrespective of the number of voting rights that person would otherwise be entitled to exercise or on a poll any person who is present at the meeting, whether as a shareholder or as proxy for a shareholder, has the number of votes determined in accordance with the voting rights associated with the securities held by that shareholder.
- ii. Fairvest Shareholders are entitled to participate proportionally in any distribution made by Fairvest and to receive proportionally the net assets of Fairvest upon its liquidation.
- iv. Any variation in rights attaching to Fairvest Shares will require the consent of 75% of Fairvest Shareholders in a general meeting in accordance with Fairvest's memorandum of incorporation.
- v. Only such members that are registered in share register of Fairvest on the day when a distribution is declared or on such other day as may be determined by the Fairvest Board as the last date for registration for the distribution, will be entitled to receive the distribution so declared.

3. Options and preferential rights in respect of Shares

In respect of Arrowhead:

Save as set out in the table below, there are no contracts or arrangements, either actual or proposed, whereby any option or preferential right of any kind has been or will be given to any person to subscribe for any Arrowhead Shares.

Date	Nature	Counterparty	Number of shares	Price per share	Vesting date
23 December 2020	Award and acceptance of performance shares in terms of the Conditional Share Plan	M Kaplan J Limalia R Kader	1 313 837 AHB Shares 696 827 AHB Shares 696 827 AHB Shares	Nil Nil Nil	30 September 2023
23 December 2020	Award and acceptance of performance shares in terms of the Conditional Share Plan	Arrowhead employees	2 836 529 AHB Shares	Nil	30 September 2023
18 December 2019	Award and acceptance of conditional rights to AHB Shares in terms of the Conditional Share Plan	A Kinkel R Kader M Kaplan J Limalia	512 793 AHB Shares 512 793 AHB Shares 823 916 AHB Shares 512 793 AHB Shares	Nil Nil Nil Nil	30 September 2022
18 December 2019	Award and acceptance of conditional rights to AHB Shares in terms of the Conditional Share Plan	Arrowhead employees	1 918 653 AHB Shares	Nil	30 September 2022

In respect of Fairvest:

Fairvest is not party to any contract or arrangement (or proposed contract or arrangement), whereby an option or preferential right of any kind is (or is proposed to be) given to any person to subscribe for any shares in Fairvest or any subsidiary of Fairvest. There are no preferential conversion and/or exchange rights in respect of any Fairvest Shares.

4. Issues and repurchases of shares

In respect of Arrowhead:

Save as set out in the tables below:

- There have been no repurchases or issues of Arrowhead Shares or shares of Arrowhead's Major Subsidiaries in the three years preceding the Last Practicable Date.
- There were no assets acquired or to be acquired out of the proceeds of any issues of shares by Arrowhead and its Major Subsidiaries.
- All share issues and repurchases were effected at a price which the Arrowhead Board considered to represent the fair value for the Company's shares, which may have resulted in the Company's shares being issued at a premium or discount.

Date	Nature	Counterparty	Number of Arrowhead Shares	Price per Arrowhead Share	Reason for repurchase or issue
Issues					
27 August 2018	Issue	Moolgem Pty Ltd	10 264 434 AHA Shares	R9,74	Shares issued in part payment of portfolio of immovable properties
5 December 2018	Issue	A Kinkel J Limalia	1 571 428 AHB Shares 1 571 428 AHB Shares	R6,30 R6,30	Shares issued to employees in terms of the Gemgrow share purchase and option scheme

Date	Nature	Counterparty	Number of Arrowhead Shares	Price per Arrowhead Share	Reason for repurchase or issue
16 September 2019	Issue	Old Arrowhead shareholders	862 972 109 AHB Shares	N/A – Consideration via share swap	Shares issued pursuant to the implementation of the Gemgrow Arrowhead Merger
Repurchases					
27 November to 27 January 2020	Repurchase	Various – general repurchase in the open market	19 132 488 AHB Shares	R3,84	Part of proceeds of disposal program used for the repurchase
12 February 2021	Repurchase	Mr. I Suleman and the Suleman Family Trust	18 385 147 AHB shares	R2,47	The AHB Shares were sold to reduce loan amounts outstanding by Mr. I Suleman and the Suleman Family Trust in terms of various share schemes.
14 July 2021	Repurchase	Arrowhead Charitable Trust	25 534 700 AHB Shares	R3,41	The loan advanced to the Arrowhead Charitable Trust became due on 30 June 2021 and the Arrowhead Charitable Trust was not able to repay its loan. The AHB Shares were repurchased to reduce the loan outstandings due by the Arrowhead Charitable Trust to Arrowgem.

In respect of Fairvest:

Save as set out in the table below:

- There have been no repurchases or issues of Fairvest Shares or shares of Fairvest's Major Subsidiaries in the three years preceding the Last Practicable Date.
- There were no assets acquired or to be acquired out of the proceeds of any issues of shares by Fairvest and its Major Subsidiaries.
- All share issues and repurchases were effected at a price which the Fairvest Board considered to represent the fair value for Fairvest Shares, which may have resulted in such Fairvest Shares being issued at a premium or discount.

Date	Nature	Counterparty	Number of Fairvest Shares	Price per Fairvest Share	Reason for repurchase or issue
Issues					
8 October 2018	Dividend reinvestment alternative	Fairvest Shareholders	14 919 845	R2,13686	Fairvest Shareholders who elected the dividend reinvestment alternative to reinvest the cash dividend of 10.34400 cents per Fairvest share, in return for Fairvest Shares

Date	Nature	Counterparty	Number of Fairvest Shares	Price per Fairvest Share	Reason for repurchase or issue
8 April 2019	Dividend reinvestment alternative	Fairvest Shareholders	12 185 043	R2,08868	Fairvest Shareholders who elected the dividend reinvestment alternative to reinvest the cash dividend of 10.61600 cents per Fairvest Share, in return for Fairvest Shares
12 April 2021	Dividend reinvestment alternative	Fairvest shareholders	9 207 234	R1,85082	Fairvest Shareholders who elected the dividend reinvestment alternative to reinvest the cash dividend of 10.59000 cents per Fairvest Share, in return for Fairvest Shares
13 October 2021	Fairvest Shares issued in exchange for AHB Shares in terms of the Fairvest Acquisition	Ninety One SA (Pty) Ltd	19 088 414	N/A	19 088 141 Fairvest Shares were issued in exchange for 10 318 064 AHB Shares pursuant to the Fairvest Acquisition whereby the counterparty was, as a result of events outside of its control, not able to defer the implementation of a portion their holding in AHB Shares
Repurchases	Nature	Counterparty	Number of Fairvest Shares	Price per Fairvest Share	Reason for repurchase or issue
5 September 2019	General repurchase	Repurchased on the open market	2 377 481	R1,90769	General repurchase
6 September 2019	General repurchase	Repurchased on the open market	446 888	R1,98851	General repurchase
9 September 2019	General repurchase	Repurchased on the open market	1 411 531	R2,00812	General repurchase
10 September 2019	General repurchase	Repurchased on the open market	3 074 660	R2,00808	General repurchase
17 September 2019	General repurchase	Repurchased on the open market	3 100 000	R1,95788	General repurchase
17 September 2019	General repurchase	Repurchased on the open market	778 917	R2,00817	General repurchase
18 September 2019	General repurchase	Repurchased on the open market	2 000 000	R2,00810	General repurchase
27 September 2019	General repurchase	Repurchased on the open market	1 599 344	R2,00179	General repurchase
30 September 2019	General repurchase	Repurchased on the open market	41 827	R2,00831	General repurchase

Date	Nature	Counterparty	Number of Fairvest Shares	Price per Fairvest Share	Reason for repurchase or issue
3 October 2019	General repurchase	Repurchased on the open market	1 937 581	R1,80730	General repurchase
1 November 2019	General repurchase	Repurchased on the open market	602 645	R1,85717	General repurchase
4 November 2019	General repurchase	Repurchased on the open market	900 000	R1,85755	General repurchase
27 November 2019	General repurchase	Repurchased on the open market	1 000 000	R1,87762	General repurchase
28 November 2019	General repurchase	Repurchased on the open market	150 000	R1,85757	General repurchase
3 December 2019	General repurchase	Repurchased on the open market	1 514 743	R1,83723	General repurchase
5 December 2019	General repurchase	Repurchased on the open market	982 659	R1,85755	General repurchase
2 March 2020	General repurchase	Repurchased on the open market	372 329	R1,80034	General repurchase
3 March 2020	General repurchase	Repurchased on the open market	224 000	R1,78488	General repurchase
4 March 2020	General repurchase	Repurchased on the open market	1 100 000	R1,81417	General repurchase
9 March 2020	General repurchase	Repurchased on the open market	805 000	R1,80446	General repurchase
10 March 2020	General repurchase	Repurchased on the open market	10 000 000	R1,76710	General repurchase
11 March 2020	General repurchase	Repurchased on the open market	3 032	R1,80034	General repurchase
11 March 2020	General repurchase	Repurchased on the open market	468 156	R1,78729	General repurchase
12 March 2020	General repurchase	Repurchased on the open market	1 000 000	R1,70695	General repurchase
13 March 2020	General repurchase	Repurchased on the open market	254 019	R1,70616	General repurchase
17 March 2020	General repurchase	Repurchased on the open market	600 000	R1,65675	General repurchase
19 March 2020	General repurchase	Repurchased on the open market	1 025 515	R1,37631	General repurchase
20 March 2020	General repurchase	Repurchased on the open market	93 997	R1,36477	General repurchase
20 November 2020	General repurchase	Repurchased on the open market	212 275	R1,60575	General repurchase
23 November 2020	General repurchase	Repurchased on the open market	10 000	R1,60739	General repurchase

5. Authorisations

In respect of Arrowhead:

At the Company's annual general meeting held on 25 February 2021 ("**AGM**") in respect of the year ended 30 September 2021, Arrowhead Shareholders resolved that:

- i. subject to the restrictions set out in the notice to the AGM and subject to the provisions of the Companies Act, the Listings Requirements and the MOI, the directors of the Company are authorised until the next annual general meeting of the Company, provided that this authority shall not extend beyond 15 months, to allot and issue up to 3 135 933 AHA Shares and 49 767 094 AHB Shares for cash at a maximum discount of 5% of the VWAP of such Arrowhead Shares measured over the 30 Business Days prior to the date that the price of the issue is agreed between the Company and the party subscribing for the Arrowhead Shares adjusted for a dividend where the "ex" date of the dividend occurs during the 30-day period in question.
- ii. the Company or any of its Subsidiaries are authorised by way of a general approval to acquire Arrowhead Shares issued by the Company, in terms of sections 46 and 48 of the Companies Act and in terms of the Listings Requirements being that the authorised but unissued Arrowhead Shares be placed under the control of the directors of the Company until the next annual general meeting, who are authorised to allot or issue any such Arrowhead Shares at their discretion, subject at all times to the provisions of the Companies Act, the MOI and the Listings Requirements.
- iii. The acquisitions of Arrowhead Shares in the aggregate in any one financial year may not exceed 20% (or 10% where the acquisitions are effected by a Subsidiary) of the Company's issued share capital of that class as at the date of passing the special resolution. Arrowhead Shares issued by the Company may be acquired at a maximum premium of 10% of the VWAP over the five Business Days immediately preceding the repurchase of such Arrowhead Shares.
- iv. the Company is authorised by way of a specific authority in terms of and subject to the applicable provisions of the Companies Act, the Listings Requirements and the MOI to repurchase 25 534 700 AHB Shares from the trustees for the time being of the Arrowhead Charitable Trust (IT number 4179/2012) at a price per share equal to the volume weighted average price per AHB Share over the 30 business days immediately preceding the repurchase.

In respect of Fairvest:

- i. On 7 September 2021, Fairvest Shareholders approved the increase of Fairvest's authorised share capital from 3 000 000 000 ordinary shares of no par value to 6 000 000 ordinary shares of no par value, ranking *pari passu* in all respects with the existing ordinary shares in the authorised share capital of Fairvest.
- ii. In the notice of the annual general meeting of Fairvest Shareholders held on 23 November 2021 ("**Fairvest AGM**") in respect of the year ended 30 June 2021, Fairvest Shareholders resolved, subject to the restrictions set out in the notice to the Fairvest AGM and subject to the provisions of the Companies Act, the Listings Requirements and the Fairvest memorandum of incorporation that:
 - (a) the directors of Fairvest are authorised, by way of a general authority, until the next annual general meeting of Fairvest, provided that this authority shall not extend beyond 15 months, to allot and issue up to 98 924 607 Fairvest Shares for cash at a maximum discount of 5% of the VWAP of such Fairvest Shares measured over the 30 Business Days prior to the date that the price of the issue is agreed between Fairvest and the party subscribing for the Fairvest Shares;
 - (b) the directors of Fairvest are authorised, by way of general authority, until the next annual general meeting of Fairvest, provided that this authority shall not extend beyond 15 months, to the extent that any treasury shares may be acquired and held by any subsidiary of Fairvest, to sell any or all such treasury shares for cash at a maximum discount of 5% of the VWAP of a Fairvest Share measured over the 30 Business Days prior to the sale of such treasury shares, to such person/s on such terms and conditions and at such times as the directors of Fairvest may, from time to time, in their discretion deem fit; and
 - (c) Fairvest and its subsidiaries are authorised, by way of a general authority, until the next annual general meeting of Fairvest, provided that this authority shall not extend beyond 15 months, to repurchase up to 20% in aggregate in any one financial year of the issued Fairvest Shares at the time the authority was granted, and at a price not greater than 10% above the VWAP of the market value of the Fairvest Shares for the five business days immediately preceding the date that the transaction is effected, upon such terms and conditions and in such amounts as the directors of Fairvest may from time to time determine, but subject to the provisions of sections 46 and 48 of the Companies Act.

MATERIAL BORROWINGS AND LOANS RECEIVABLE

Material loans made to Arrowhead and its Subsidiaries

Set out below are the material loans that were made to Arrowhead and its Subsidiaries as at the Last Practicable Date.

Lender	Description	Origination	Loan amount outstanding (R'000)	Interest Rate	Terms and conditions of repayment or renewal	Security provided	Maturity date	Borrowing entity
Standard Bank	Loan number 264534 – Property loan	To fund property acquisitions	300 000	3-Month JIBAR plus 1.85%	N/A – to be renewed at maturity date	Mortgage bond over investment properties	31 December 2021 (Note 1)	Arrowgem
Standard Bank	Loan number 525107 – Property loan	To fund property acquisitions	330 000	3-Month JIBAR plus 1.89%	N/A – to be renewed at maturity date	Mortgage bond over investment properties	30 April 2022 (Note 1)	Arrowgem
Standard Bank	Loan number 459394 – Property loan	To fund property acquisitions	200 000	3-Month JIBAR plus 2.05%	N/A – to be renewed at maturity date	Mortgage bond over investment properties	30 November 2022 (Note 2)	Arrowgem
Standard Bank	Loan number 148164 – Property loan	To fund property acquisitions	280 000	3-Month JIBAR plus 2.05%	N/A – to be renewed at maturity date	Mortgage bond over investment properties	30 November 2022 (Note 2)	Arrowgem
Standard Bank	Loan number 249812 – Property loan	To fund property acquisitions	–	Prime less 1.15%	N/A – to be renewed at maturity date	Mortgage bond over investment properties	30 December 2022 (Note 2)	Arrowgem
Standard Bank	Loan number 600607 – Property loan	To fund property acquisitions	191 002	3-Month JIBAR plus 2.10%	N/A – to be renewed at maturity date	Mortgage bond over investment properties	31 July 2023	Arrowgem
Standard Bank	Loan number 146374 – Property loan	To fund property acquisitions	28 796	Prime less 1%	N/A – to be renewed at maturity date	Mortgage bond over investment properties	30 September 2024	Arrowhead
Standard Bank	Loan number 144727 – Property loan	To fund property acquisitions	96 500	3-Month JIBAR plus 2.20%	N/A – to be renewed at maturity date	Mortgage bond over investment properties	30 September 2024	Arrowhead

Lender	Description	Origination	Loan amount outstanding (R'000)	Interest Rate	Terms and conditions of repayment or renewal	Security provided	Maturity date	Borrowing entity
Nedbank	Loan number 30171756 – Property loan	To fund property acquisitions	661 000	3-Month JIBAR plus 2.05%	N/A – to be renewed at maturity date	Mortgage bond over investment properties	4 July 2023	Vividend
Nedbank	Loan number 30176950 – Property loan	To fund property acquisitions	–	3-Month JIBAR plus 2.25%	N/A – to be renewed at maturity date	Mortgage bond over investment properties	4 December 2023	Arrowhead
ABSA Bank	Guarantee B1 – Property loan	To fund property acquisitions	302 143	3-Month JIBAR plus 2.20%	N/A – to be renewed at maturity date	Mortgage bond over investment properties	5 October 2022 (Note 2)	Indluplace
ABSA Bank	Facility B2 – Property loan	To fund property acquisitions	307 979	3-Month JIBAR plus 2.40%	N/A – to be renewed at maturity date	Mortgage bond over investment properties	16 November 2023	Indluplace
ABSA Bank	Facility B3 – Property loan	To fund property acquisitions	78 101	3-Month JIBAR plus 2.55%	N/A – to be renewed at maturity date	Mortgage bond over investment properties	16 November 2024	Indluplace
ABSA Bank	Facility B4 – Property loan	To fund property acquisitions	71 937	3-Month JIBAR plus 2.70%	N/A – to be renewed at maturity date	Mortgage bond over investment properties	16 November 2025	Indluplace
Investec	Arrowhead revolving credit facility – General funding	General funding	100 000	3-Month JIBAR plus 2.75%	N/A – to be renewed at maturity date	Mortgage bond over investment properties	30 September 2024	Arrowgem
Investec	Loan number Arrowhead 00002 – Share cover loan	To fund listed securities	31 095	3-Month JIBAR plus 2.10%	N/A – to be renewed at maturity date	Mortgage bond over listed securities	30 September 2024	Arrowgem
Investec	Loan number Arrowhead 00003 – Share cover loan	To fund listed securities	97 533	3-Month JIBAR plus 2.10%	N/A – to be renewed at maturity date	Mortgage bond over listed securities	30 September 2024	Arrowgem
Investec	Guarantee A1 – Property loan	To fund property acquisitions	302 143	3-Month JIBAR plus 2.20%	N/A – to be renewed at maturity date	Mortgage bond over investment properties	5 October 2022 (Note 2)	Indluplace
Investec	Loan number Gemgrow 1 – Property loan	To fund property acquisitions	350 854	3-Month JIBAR plus 2.15%	N/A – to be renewed at maturity date	Mortgage bond over investment properties	31 October 2022 (Note 2)	Arrowhead

Lender	Description	Origination	Loan amount outstanding (R'000)	Interest Rate	Terms and conditions of repayment or renewal	Security provided	Maturity date	Borrowing entity
Investec	Loan number Gemgrow 2 – Property loan	To fund property acquisitions	353 086	3-Month JIBAR plus 2.20%	N/A – to be renewed at maturity date	Mortgage bond over investment properties	15 November 2022 (Note 2)	Arrowhead
Investec	Gemgrow RCF Facility – Property loan	To fund property acquisitions	–	3-Month JIBAR plus 2.20%	N/A – to be renewed at maturity date	Mortgage bond over investment properties	16 November 2023	Arrowhead
Investec	Facility A2 – Property loan	To fund property acquisitions	164 254	3-Month JIBAR plus 2.30%	N/A – to be renewed at maturity date	Mortgage bond over investment properties	16 November 2023	Indluplace
Investec	Facility A3 – Property loan	To fund property acquisitions	78 101	3-Month JIBAR plus 2.40%	N/A – to be renewed at maturity date	Mortgage bond over investment properties	16 November 2024	Indluplace
Investec	Facility A4 – Property loan	To fund property acquisitions	71 937	3-Month JIBAR plus 2.50%	N/A – to be renewed at maturity date	Mortgage bond over investment properties	16 November 2025	Indluplace
FirstRand Bank Ltd Gemgrow ("RMB")	11054 To fund property – Property loan	To fund property acquisitions	110 000	3-Month JIBAR plus 2.35%	N/A – to be renewed at maturity date	Mortgage bond over investment properties	4 December 2023	Arrowhead
FirstRand Bank Ltd Gemgrow ("RMB")	9496 To fund property – Property loan	To fund property acquisitions	87 947	3-Month JIBAR plus 2.35%	N/A – to be renewed at maturity date	Mortgage bond over investment properties	4 December 2023	Arrowhead
Total debt			4 594 408					

Notes:

1. Another funder has agreed to renew these facilities for a further 3 and 4 years respectively. The formal legal agreements with respect thereto are currently being drawn up.
2. Negotiations for the refinancing of these loans has not yet begun.

Material loans made to Fairvest and its Subsidiaries

Set out below are the material loans that were made to Fairvest and its Subsidiaries as at the Last Practicable Date.

Lender	Description	Origination	Terms and conditions of			Security provided	Maturity date/ how repayment is to be financed	Borrowing entity
			Facility (R'000)	Interest Rate	repayment or renewal			
ABSA Bank	Term loan	Fund the acquisition of Sibilo Plaza Shopping Centre	38 000	Prime less 1.40%	36 months	1st covering mortgage bond over Erf 7362 Postmasburg	10 October 2021 with refinancing facility	Fairvest
ABSA Bank	Term loan		9 500	Prime less 1.40%	48 months	1st covering mortgage bond over Erf 7362 Postmasburg	10 August 2022 with refinancing facility	Fairvest
Nedbank	Term loan	Fund the acquisition of Mala Plaza Shopping Centre, Masingita Shopping Centre, Qualbert Centre and Kimpark Centre	127 584	3-Month JIBAR plus 1.90%	60 months	Erf 936 Malamulele-A, Limpopo (R70m) Remainder of Erf 12025 and Portion 1 of Erf 12025 Durban (R70m) Erf 16428 Kimberley (R50m) Portion 1 of Erf 566 Giyani-D, Limpopo (R50m)	1 August 2022 with refinancing facility	Fairvest
Standard Bank	Term loan	Fund the acquisition of Middestad Mall, Mega Park and Cosmos Centre	165 000	3-Month JIBAR plus 1.85%	36 months	Erf 15942 Bloemfontein, Erf 27819 Bloemfontein Erf 4861, Bethal Erven 50261 and 13435 Khayelitsha	30 November 2021 with refinancing facility	Fairvest
Standard Bank	Term loan	Fund the acquisition of Nonkqubela Shopping Centre	80 000	Prime less 1.40%	36 months	Erven 50261 and 13435 Khayelitsha	31 March 2023 with refinancing facility	Fairvest

Lender	Description	Origination	Terms and conditions of repayment or renewal			Security provided	Maturity date/ how repayment is to be financed	Borrowing entity
			Facility (R'000)	Interest Rate	renewal			
RMB	Facility A	Fund the acquisition of 210 and 212 Church Street, 425 West Street, Clubview, St Georges Square, Nyanga Junction, Orange Farm, Vereeniging, The Ridge, Sebokeng Plaza, Mkuze Corner, Sharpville, Stretford, KTC Nyanga, Zamdela	8 808	1 Month JIBAR plus 2.00%	36 months	Erf 4000 Zamdela, Erf 1951 George, Erf 13291 Bellville, Portion 527 of Farm 356 Zwartkop, Erf 16145 Stretford, Erven 9189 and 9190 Sharpville, Erf 15800 Orange Farm, Erf 1440 Vereeniging, Erf 65558	31 May 2022 with refinace facility	Fairvest
RMB	Revolving facility		30 000	1 Month JIBAR plus 2.00%	36 months		31 May 2022 with revolving credit	Fairvest
RMB	Facility B		182 250	1 Month JIBAR plus 2.00%	36 months	Sebokeng (50% of Portion 3/4/7), Erf 12704 Nyanga, Erf 59 Mkuze (Portion 1), Erven 2520 and 2521 Pietermaritzburg (Portion 7 and 18), Erven 1107, 11014, 11016 Durban, The Ridge (Unit 4/6/8 in Sectional Title)	31 May 2022 with refinace facility	Fairvest
RMB	Facility C		122 000	1 Month JIBAR plus 2.00%	36 months		31 May 2022 with refinace facility	Fairvest
Investec	Term loan	Fund the development of Westville Junction	128 000	Prime less 0.75%	36 months	Erven 971 and 974 Queensburgh, Erven 215 and 216 and 217 Halfway House, Erf 814 Bloemfontein, Westville Junction (Sections 2,3,4,5,6,7,8,9,P1,P2,P3)	31 December 2023 with refinance facility	Fairvest
ABSA Bank	Term loan	Fund the acquisition of Shoprite Empangeni Shopping Centre	86 000	1 month JIBAR + 1.85%	36 months	ERF 3217 Empangeni (R100m)	10 August 2023 with refinace facility	FPP102 Property Venture Proprietary Limited ¹
ABSA Bank	Term loan	Fund the acquisition of South View Shopping Centre	50 000	Prime less 1.40%	36 months	ERF 21188 Soshanguve South Ext 7 (R80m)	1 May 2022 with refinance facility	South View Shopping Centre Proprietary Limited ²

Lender	Description	Origination	Terms and conditions of repayment or renewal			Security provided	Maturity date/ how repayment is to be financed	Borrowing entity
			Facility (R'000)	Interest Rate				
Nedbank	Term loan	Fund the acquisition of Bara Precinct	160 000	3-Month JIBAR + 1.87%	24 months	Erven 24459, 24463, 24464, 24470 and Portion of Erf 25170 Diepkloof (R134.01m) First covering bond over notarial lease over erven 24457 and 24462 Diepkloof (R9.99m) First covering bond by Diep Kloof Leaseholder over Portion 55 of Erf 25170 Diepkloof over notarial lease over erven 24457 and 24462 Diepkloof (R16m)	10 December 2022 with refinace facility	Bara Precinct Proprietary Limited and Diepkloof Leaseholder Proprietary Limited
Nedbank	Term loan	Fund the acquisition of Macassar Shopping Centre	40 500	3 Month JIBAR plus 1.95%	36 months	ERF 7355 Macassar (R60m)	10 June 2022 with refinace facility	Macassar Shopping Centre Proprietary Limited
ABSA Bank	Term loan	Fund the acquisition of Tabankulu, Mqanduli and Elliotdale	75 000	1 month JIBAR + 1.87%	36 months	ERF871 Mqanduli (R38m), Erf 93 Elliotdale (R60m), Erf 87 Tabankulu (R32m)	2 May 2023 with refinace facility	FPP103 Property Venture Proprietary Limited ³
ABSA Bank	Term loan	Fund the acquisition of Qumbu Plaza Centre	29 000	1 month JIBAR + 2.15%	36 months	Erf 30 Qumbu (R45m),	26 July 2024 with refinace facility	Qumbu Plaza Proprietary Limited ⁴
Investec	Term loan	Fund the acquisition of Libode Shopping Centre	30 000	Prime less 0.75%	36 months	Erf 1390 Libode (R30m)	24 November 2024 with refinace facility	Libode Shopping Centre Proprietary Limited ⁷
Total			1 361 642					

Notes:

1. Fairvest has provided a limited guarantee of R86 million.
2. Fairvest has provided a limited guarantee of R50 million.
3. Fairvest has provided a limited guarantee of R75 million.
4. Fairvest has provided a limited guarantee of R29 million.
5. None of the above material loans are the subject of any conversion or redemption rights.
6. The material loans made to Fairvest and/or to any of its Subsidiaries as set out above will remain outstanding following implementation of the Transaction.
7. Fairvest has provided a limited guarantee of R25 million.

Material loans receivable by Arrowhead and its Subsidiaries

Set out below are the details of material loans made to parties other than directors, by Arrowhead, its Subsidiaries and any subsidiary where such loans are material to the Arrowhead Group.

Date loan granted	Borrower	Origination	Loan amount outstanding (R'000)	Interest rate	Terms and conditions of repayment or renewal	Security held/reason for unsecured loan	Fair value and method of valuation of security held	Maturity date
16 September 2019	Arrowgem Ltd	Arrowgem external debt settled by Arrowhead	1 318 161	9.85%	Repayable on or after maturity date	Unsecured, as the loan is to a controlled subsidiary in the Arrowhead Group, thus risk managed	N/A – Unsecured	October 2022
Total			1 318 161					

Material loans receivable by Fairvest and its Subsidiaries

Set out below are the details of material loans made by Fairvest, its Subsidiaries and any subsidiary where such loans are material to the Fairvest Group.

Date loan granted	Borrower	Origination	Loan amount outstanding (R'000)	Interest rate	Terms and conditions of repayment or renewal	Security held/reason for unsecured loan	Fair value and method of valuation of security held	Maturity date
1 November 2017	GGP Investments Proprietary Limited ("GGP") GGP is the non-controlling shareholder in Southview Shopping Centre Proprietary Limited	Development of the Southview Shopping Centre	8 267	Prime + 1.50%	Repayable on maturity date	Cession and pledge of GGP's shares in Southview Shopping Centre Proprietary Limited	N/A	18 June 2023
18 July 2017	Propsky 31 Properties Proprietary Limited ("Propsky") Propsky is the non-controlling shareholder in FPP 102 Property Venture Proprietary Limited.	Acquisition of the Shoprite Empangeni asset	48 357	Prime + 4.50%	Repayable on maturity date	Cession and pledge of Propsky's shares in FPP 102 Property Venture Proprietary Limited and suretyships by the shareholders of Propsky	N/A	19 July 2022

Date loan granted	Borrower	Origination	Loan amount outstanding (R'000)	Interest rate	Terms and conditions of repayment or renewal	Security held/reason for unsecured loan	Fair value and method of valuation of security held	Maturity date
18 December 2017	Buffshelfco 17 Proprietary Limited (" Buffshelfco 17 ") Buffshelfco 17 is the non-controlling shareholder in Bara Precinct Proprietary Limited	Subscription of shares in Bara Precinct Proprietary Limited	90 098	Prime + 4.50%	Repayable on maturity date	Cession and pledge of Buffshelfco 17's shares in Bara Precinct Proprietary Limited and suretyships by the shareholders of Buffshelfco 17	N/A	19 December 2022
4 October 2018	Lonisign Proprietary Limited (" Lonisign ") Lonisign is the non-controlling shareholder in Libode Shopping Centre Proprietary Limited	Acquisition of the Libode Shopping Centre	25 729	Prime + 2.00%	Repayable on maturity date	Cession and pledge of Lonisign's shares in Libode Shopping Centre Proprietary Limited and suretyships by the shareholders of Lonisign	N/A	31 August 2023
26 August 2019	Stilopro Proprietary Limited (" Stilopro ") Stilopro is the non-controlling shareholder in Qumbu Plaza Proprietary Limited	Development of the Qumbu Plaza Centre	29 112	Prime + 2.00%	Repayable on maturity date	Cession and pledge of Stilopro's shares in Qumbu Plaza Proprietary Limited and suretyships by the shareholders of Stilopro	N/A	1 December 2024
Total			201 563					

1. **Loans receivable in respect of group share purchase and option schemes by the Arrowhead Group as at the Last Practicable Date**

Set out below are the material loans receivable in respect of group share purchase and option schemes that were provided to directors, past directors and employees of Arrowhead, by Arrowhead and its Major Subsidiaries as at the Last Practical Date.

1.1 **Loans to participants of the Arrowgem Unit Purchase and Option Scheme ("Arrowgem UPOS")**

Name of director, former director or employee	Loan balance (R)
M. Kaplan (Arrowhead director)	95 035 345
Loans were granted by the Arrowhead Group on 17 November 2015, 17 November 2016 and 18 December 2017 in relation to the subscription for shares. 9 853 309 AHB Shares are held as security against the loans. Fair value (i.e market value) of the AHB Shares held as security: R40 891 232	
I. Suleman (former director)	70 697 673
Loans were granted by the Arrowhead Group on 17 November 2015, 17 November 2016 and 18 December 2017 in relation to the subscription for shares. The AHB Shares previously held as security against the loans were sold to repay a portion of the original loan amount, therefore no security is currently held against the loans.	
R. Kader (former director)	10 110 631
A loan was granted by the Arrowhead Group on 18 December 2017 in relation to the acquisition of shares. 1 332 500 AHB Shares are held as security against the loan. Fair value (i.e market value) of the AHB Shares held as security: R5 529 875	
V. Turner (Arrowhead company secretary)	3 203 200
A loan was granted by the Arrowhead Group on 18 December 2017 in relation to the acquisition of shares. 422 156 AHB Shares are held as security against the loan. Fair value (i.e market value) of the AHB Shares held as security: R1 751 947	
N. Kaplan (Arrowhead employee)	2 072 069
A loan was granted by the Arrowhead Group on 18 December 2017 in relation to the acquisition of shares. 273 082 AHB Shares are held as security against the loan. Fair value (i.e market value) of the AHB Shares held as security: R1 133 290	
A. de Kock (Arrowhead employee)	1 117 573
A loan was granted by the Arrowhead Group on 18 December 2017 in relation to the acquisition of shares. 147 317 AHB Shares are held as security against the loan. Fair value (i.e market value) of the AHB Shares held as security: R611 366	
Total	182 236 491

- 1.1.1 The loans were granted to juristic entities of the executive directors and employees of the Arrowhead Group for the purpose of subscribing for or purchasing Arrowhead Shares and in terms of the Companies Act.
- 1.1.2 The Arrowhead Shares have been pledged to the Company as security against the outstanding loans and the Company has recourse against the participants for any amounts unpaid under the scheme.
- 1.1.3 The loans incur interest at an amount equal to the dividends declared in respect of the AHB Shares held as security against the loans.

- 1.1.4 The loans will mature ten years from date of issue.
- 1.1.5 As the loans were granted to juristic entities of the applicable director or employee, Old Arrowhead's remuneration and nomination committee determined that, in respect of loans granted during the 2018 Financial Year, the participants were required to provide sureties for the loans in their personal capacity, which is equal to 13% of the loan debt.

1.2 Loans to participants of Indluplace Share Purchase and Option Scheme

Name of director, former director or employee	Loan balance (R)
G. Leissner (former Indluplace director, deceased)	52 738 090
A loan was granted by Indluplace on 19 June 2015 in relation to the acquisition of 5 273 809 Indluplace Shares, which are held as security for the loan. Fair value (i.e market value) of the Indluplace Shares held as security: R17 614 522	
M. Kaplan (former Indluplace director and current Arrowhead director)	52 738 090
A loan was granted by Indluplace on 19 June 2015 in relation to the acquisition of 5 273 809 Indluplace Shares, which are held as security against the loan. Fair value (i.e market value) of the Indluplace Shares held as security: R17 614 522	
I. Suleman (former director)	52 738 090
A loan was granted by Indluplace on 19 June 2015 in relation to the acquisition of 5 273 809 Indluplace Shares, which are held as security against the loan. The Indluplace Shares previously held as security against the loan were sold to repay a portion of the original loan amount, therefore no security is currently held against the loans.	
C. de Wit (Indluplace director)	44 821 550
Loans were granted by Indluplace on 19 June 2015, 12 December 2016 and 6 December 2017 in relation to the acquisition of 5 020 301 Indluplace Shares which are held as security against the loans. Fair value (i.e market value) of the Indluplace Shares held as security: R 16 767 805	
T. Kaplan (Arrowhead employee)	25 995 421
Loans were granted by Indluplace on 6 February 2017, 6 December 2017, and 7 December 2018 in relation to the acquisition of 2 933 291 Indluplace Shares which are held as security against the loans. Fair value (i.e market value) of the Indluplace Shares held as security: R9 797 192	
Total	229 031 241

- 1.2.1 The loans were granted to juristic entities of the directors, former directors or employees for the purpose of subscribing for Indluplace ordinary shares ("**Indluplace Shares**") as per the Indluplace Share Purchase and Option Scheme and in terms of the Companies Act.
- 1.2.2 The loans bear interest at a rate equal to the dividends declared, and interest is calculated at 31 March and 30 September of each year and is repayable at any time by the juristic person of the executive director or employee but not later than 10 years from the granting of the loan.
- 1.2.3 The dividends received on the Indluplace Shares are used to repay the interest accumulated on the loans and Indluplace has recourse against the applicable juristic entity for any amounts unpaid under the scheme.
- 1.2.4 The Indluplace Shares have been pledged as security to Indluplace for the outstanding loans.
- 1.2.5 The loans mature within 10 years of date of issue.

1.3 Arrowhead Share Purchase and Option Scheme ("Arrowhead SPOS")

Name of director, former director or employee	Loan balance (R)
A. Kinkel (former director)	23 146 128
Loans were granted by the Arrowhead Group during 2017 and 2018 in relation to the acquisition of shares. 3 742 925 AHB Shares are held as security against the loans. Fair value (i.e market value) of the AHB Shares held as security: R15 533 139	
J. Limalia (director)	23 076 905
Loans were granted by the Arrowhead Group during 2017 and 2018 in relation to the acquisition of shares. 3 371 577 AHB Shares are held as security against the loans. Fair value (i.e market value) of the AHB Shares held as security: R15 486 045	
Total	46 223 033

- 1.3.1 The loans bear interest at a rate equal to the dividends declared on the corresponding scheme shares, and interest is calculated bi-annually at 31 March and 30 September. The loans are repayable at any time by the juristic person of the executive or employee but no later than 10 (ten) years from the granting of the loan.
- 1.3.2 The loans have been granted to the juristic entities of A Kinkel and J Limalia. Arrowhead's remuneration and nomination committee determined that the executive management team were required to provide surety in their personal capacity, in relation to the loans granted during the 2018 and 2019 Financial Years, which is equal to 13% of the loan debt.

2. Restitution of performance in relation to purchase offers implemented in terms of the Arrowgem Unit Purchase Scheme ("UPS") and Cumulative Loans

- 2.1 Loan funding was advanced to certain identified:
- 2.1.1 employees of the Arrowhead Group, whom are participants in the UPS ("**UPS Participants**") in order to finance the acquisition by the UPS Participants of Arrowhead Shares ("**UPS Scheme Shares**"); and
- 2.1.2 executives of the Arrowhead Group by Cumulative Properties Limited (a wholly owned subsidiary of Arrowhead) ("**Cumulative**") ("**Cumulative Participants**") in order to ultimately finance the acquisition of AHB Shares by the Cumulative Participants ("**Cumulative Scheme Shares**")
- (each a "**Scheme Loan**").
- 2.2 In respect of the UPS, the Scheme Loans were advanced by a trust established in accordance with the rules of the UPS ("**UPS Trust**").
- 2.3 As security for the Scheme Loans, the UPS Scheme Shares and the Cumulative Scheme Shares (collectively "**Scheme Shares**") were pledged and ceded in *securitatem debiti* to the UPS Trust and Cumulative, respectively (each a "**Lender**").
- 2.4 The Scheme Shares are currently registered in a nominee account at Investec Bank Limited ("**Security Nominee**") for the beneficial interest of the UPS Participants and the Cumulative Participants (collectively, the "**Participants**").
- 2.5 The Arrowhead Board was recently furnished with a formal legal opinion ("**NCA Opinion**") regarding the applicability of the NCA to the Scheme Loans. The conclusions reached in the NCA Opinion are that:
- (i) in terms of the NCA, the Lenders were required to be registered as a credit provider in terms of section 40(1) of the NCA ("**Credit Provider**") at the time of making the purchase offers and advancing the Scheme Loans;
- (ii) given that the Lenders were not registered as a Credit Provider at the relevant time, the purchase offers and the Scheme Loans provided thereunder are *void ab initio*, meaning that the agreements in terms thereof are invalid from the outset; and

- (iii) given the invalidity of the agreements, restitution of the performance which took place under the invalid agreements should, to the extent practically possible in the circumstances, be effected.
- 2.6 The Lenders have resolved (having taken legal advice on the matter), that the just and equitable manner of regularising the position is for the Participants to tender restitution of the performance which took place under those invalid agreements, to the extent practically possible in the circumstances.
- 2.7 Accordingly, the Lenders have resolved to give effect to such restitution by derecognising the Scheme Loans and having the Scheme Shares placed at the disposal of the Lenders, in terms of which the Scheme Shares shall, from 30 November 2021 ("**Restitution Effective Date**"):
- 2.7.1 be placed under the control and at the disposal of the Lenders to be disposed of in a responsible manner at an appropriate time by way of an on-market disposal, a sale by private treaty, a sale to Arrowhead or one of its subsidiaries or otherwise ("**Restitution**"), with the proceeds of such disposal accruing to the being for the benefit of the Lenders; and
- 2.7.2 any benefits accruing to or in favour of the Scheme Shares shall accrue to and be for the benefit of the Lenders; and the voting rights attaching to the Scheme Shares shall be exercisable by the Lenders (provided that such exercise is permitted in terms of the Listings Requirements, the Companies Act, Arrowhead's MOI or otherwise).
- 2.8 The Lenders shall instruct the Security Nominees, as the registered holder of the Scheme Shares in a nominee capacity, to take all such steps as may be required in order to give effect to the Restitution.
- 2.9 The Scheme Loans in relation to which the Restitution measures are to be effected are summarised in the tables below.
- 2.9.1 **Scheme Loans under the UPS**

Name of director, former director or employee	Loans void <i>ab initio</i> (R)
M. Kaplan (Arrowhead director)	78 532 411
Loans were granted by the Arrowhead Group on 7 December 2012, 13 November 2013 and on 10 November 2014 in relation to the acquisition of 8 575 063 AHB Shares with a current market value of R35 586 511.	
I. Suleman (former director)	53 551 336
Loans were granted by the Arrowhead Group on 7 December 2012, 13 November 2013 and on 10 November 2014 in relation to the acquisition of AHB Shares. There is no current market value attributable to the shares as the AHB Shares previously held as security have been sold.	
R. Kader (former director)	15 551 336
Loans were granted by the Arrowhead Group on 10 November 2014 and 17 November 2015 in relation to the acquisition of 1 252 487 AHB Shares with a current market value of R5 197 821.	
C. de Wit (Arrowhead employee)	2 836 127
A loan was granted by the Arrowhead Group on 10 November 2014 in relation to the acquisition of 324 393 AHB Shares with a current market value of R1 346 231.	
V. Turner (Arrowhead company secretary)	462 922
A loan was granted by the Arrowhead Group on 10 November 2015 in relation to the acquisition of 63 067 AHB Shares with a current market value of R261 728.	
N. Kaplan (Arrowhead employee)	794 110
A loan was granted by the Arrowhead Group on 10 November 2014 in relation to the acquisition of 90 829 AHB Shares with a current market value of R376 940.	
Total	151 728 242

2.9.2 Cumulative Scheme Loans

Name of director, former director or employee	Loans void <i>ab initio</i> (R)
M. Kaplan (director)	41 003 769
A loan was granted by the Arrowhead Group on during 2016 in relation to the acquisition of 6 000 000 AHB Shares with a current market value of R24 900 000.	
I. Suleman (former director)	24 803 769
A loan was granted by the Arrowhead Group on during 2016 in relation to the acquisition of AHB Shares. There is no current market value attributable to the shares as the AHB Shares previously held as security against the loan have been sold.	
A. Kinkel (former director)	20 501 904
A loan was granted by the Arrowhead Group during 2016 in relation to the acquisition of 3 000 000 AHB Shares with a current market value of R12 450 000.	
J. Limalia (director)	20 501 904
A loan was granted by the Arrowhead Group during 2016 in relation to the acquisition of 3 000 000 AHB Shares with a current market value of R12 450 000.	
Total	106 811 346

3. Arrangements in relation to scheme loans in accordance with the rules of the Arrowgem UPOS and the Arrowhead SPOS in relation to the Departing Designated Employees

- 3.1 As contemplated in paragraph 5 of **Annexure 3**, Mark Kaplan and Junaid Limalia, the Departing Executive(s), have, by mutual agreement with the Company in terms of the Departing Executive Termination Agreements, agreed to the termination of their employment with Arrowhead with effect from the Departing Executive Termination Date.
- 3.2 In accordance with the rules ("**Scheme Rules**") of the Arrowgem UPOS and the Arrowhead SPOS (collectively, the "**Schemes**"), the Departing Executives participate in the Schemes via juristic entities established by them. Mark Kaplan's entity is Arrowplay Trust, which is a participant in the Arrowgem UPOS and Junaid Limalia's entities, Laysuha Trust and Junaid Limalia Family Trust, are a participant in the Arrowhead SPOS (each a "**Departing Executive's Scheme Participant**").
- 3.3 Pursuant to their participation in the Schemes, the Departing Executives, via their Departing Executive's Scheme Participants, acquired 13 584 886 AHB Shares (comprising 9 853 309 AHB Shares held by Mark Kaplan's entity and 3 731 577 AHB Shares held by Junaid Limalia's entities) (collectively the "**Scheme Shares**") and have received loans from Arrowhead with aggregate outstanding balances of R118 112 250 (comprising R95 035 345 owing by Mark Kaplan's entity and R23 076 905 owing by Junaid Limalia's entities) (collectively the "**Scheme Loans**"). The applicable Scheme Loans were granted by Arrowhead and Arrowgem Limited (a wholly owned subsidiary of Arrowhead) ("**Lenders**"), in relation to the Arrowhead SPOS and the Arrowgem UPOS, respectively.
- 3.4 As security for the Scheme Loans, the Scheme Shares were pledged and ceded in *securitatem debiti* to Arrowhead ("**Pledge**").
- 3.5 In terms of the Scheme Rules in respect of:
 - 3.5.1 The Arrowgem UPOS, pursuant to the Departing Executives ceasing to be employed by the Arrowhead Group (i) no further purchase offers may be made to such Departing Executives under the Arrowgem UPOS; and (ii) save for the prohibition on making further purchase offers, the Scheme Rules continue to apply, without amendment, to the Scheme Loans, Scheme Shares and the Pledge notwithstanding the cessation of employment of the Departing Executives; and
 - 3.5.2 the Arrowhead SPOS, pursuant to the Departing Executives ceasing to be employed by the Arrowhead Group, the Scheme Loans owing by the Departing Executive's Scheme Participants will become due and payable 12 months after such cessation of employment unless alternative arrangements are reached.

- 3.6 To align the treatment of the Scheme Loans under the Arrowhead SPOS with the treatment of the Scheme Loans under the Arrowgem UPOS, Arrowhead has, in accordance with rule 8.6.2 of the Scheme Rules, resolved that the original maturity dates of the Scheme Loans under the Arrowhead SPOS will be maintained, being 10 years from the date on which such Scheme Loans were granted, and the Scheme Shares acquired under the Arrowhead SPOS shall remain subject to the Pledge.

4. Loans granted to the directors of Fairvest by the Fairvest Group

- 4.1 Fairvest has no long-term incentive schemes in place, therefore no loans have been granted by Fairvest to any directors of Fairvest in respect of any long term incentive schemes.
- 4.2 No loans have been made or security furnished by the Fairvest Group for the benefit of any director or manager or Associate of any director or manager of the Fairvest Group.

TRADING OF SHARES

Set out below is the aggregate volumes and values traded, closing price and the highest and lowest prices traded in Arrowhead Shares and Fairvest Shares for:

- each month over the 12 months preceding the Last Practicable Date; and
- each day over the 30 days preceding the Last Practicable Date.

Trading of AHA Shares

Period	High (cents)	Low (cents)	Close (cents)	Volume	Value (R)
Monthly					
2021					
October	14.00	13.99	14.00	95 030	1 329 850
September	13.99	11.60	13.99	2 429 010	30 420 220
August	12.49	10.70	12.45	360 450	4 160 780
July	11.45	10.51	11.44	2 399 700	26 331 740
June	11.48	10.00	10.99	1 781 440	19 605 050
May	11.00	9.60	10.00	4 102 840	40 805 550
April	11.00	9.27	9.80	109 130	1 065 910
March	11.00	9.01	11.00	260 180	2 458 200
February	9.70	9.00	9.01	446 850	4 077 440
January	9.64	8.50	9.11	159 150	1 435 790
2020					
December	10.00	8.76	9.59	584 650	5 744 670
November					
Daily					
2021					
Monday, 22 November 2021	–	–	14.05	–	–
Friday, 19 November 2021	14.95	13.51	14.05	48 690	684 140
Thursday, 18 November 2021	15.00	14.00	14.00	49 920	698 920
Wednesday, 17 November 2021	–	–	14.99	–	–
Tuesday, 16 November 2021	15.00	14.99	14.99	2 380	35 600
Monday, 15 November 2021	–	–	15.00	–	–
Friday, 12 November 2021	15.00	15.00	15.00	1 250	18 810
Thursday, 11 November 2021	15.00	15.00	15.00	2 956 080	44 341 130
Wednesday, 10 November 2021	14.50	14.10	14.10	21 080	297 270
Tuesday, 9 November 2021	15.00	14.10	14.10	600	8 390
Monday, 8 November 2021	15.00	15.00	15.00	3 980	59 690
Friday, 5 November 2021	–	–	14.07	5 430	76 340
Thursday, 4 November 2021	15.00	14.07	14.07	4 040	56 840
Wednesday, 3 November 2021	15.00	14.50	14.50	25 780	373 830
Tuesday, 2 November 2021	15.00	15.00	15.00	5 030	75 470
Monday, 1 November 2021	–	–	–	–	–
Friday, 29 October 2021	14.30	14.00	14.30	71 210	1 018 330
Thursday, 28 October 2021	14.00	13.19	14.00	706 370	9 889 180
Wednesday, 27 October 2021	15.00	13.76	14.20	575 910	8 177 890
Tuesday, 26 October 2021	15.00	13.00	14.79	7 680	113 570

Period	High (cents)	Low (cents)	Close (cents)	Volume	Value (R)
Monday, 25 October 2021	14.00	12.10	13.99	14 510	203 020
Friday, 22 October 2021	–	–	14.00	–	–
Thursday, 21 October 2021	14.00	14.00	14.00	6 070	84 990
Wednesday, 20 October 2021	14.00	13.95	14.00	1 580	22 090
Tuesday, 19 October 2021	14.00	14.00	14.00	120	1 680
Monday, 18 October 2021	–	–	14.00	360	5 070
Friday, 15 October 2021	–	–	14.00	1 550	21 670
Thursday, 14 October 2021	–	–	14.00	2 370	33 240
Wednesday, 13 October 2021	–	–	14.00	1 640	22 930
Tuesday, 12 October 2021	14.00	14.00	14.00	2 990	41 860

Source: S&P Capital IQ

Trading of AHB Shares

Period	High (cents)	Low (cents)	Close (cents)	Volume	Value Traded (R)
Monthly					
2021					
October	4.13	4.03	4.13	6 911 160	32 157 260
September	4.25	3.16	4.11	12 899 960	50 748 430
August	3.38	3.15	3.23	4 902 640	16 024 840
July	3.70	3.05	3.20	15 273 750	49 820 340
June	3.90	3.21	3.65	13 459 740	46 208 140
May	3.54	3.20	3.35	21 142 920	72 645 560
April	3.30	2.70	3.30	11 076 940	32 777 150
March	2.87	2.65	2.70	15 930 960	43 970 660
February	2.80	2.27	2.73	15 590 000	39 853 870
January	2.52	2.23	2.43	64 342 310	149 078 890
2020					
December	2.87	2.05	2.32	41 306 440	111 708 960
November	2.05	1.40	2.05	42 968 870	74 148 950
Daily					
2021					
Monday, 22 November 2021	4.18	4.09	4.15	423 570	1 757 820
Friday, 19 November 2021	4.22	4.01	4.17	848 540	3 538 390
Thursday, 18 November 2021	4.24	4.09	4.20	676 900	2 842 980
Wednesday, 17 November 2021	4.13	4.01	4.11	280 880	1 154 410
Tuesday, 16 November 2021	4.24	4.06	4.13	63 400	261 830
Monday, 15 November 2021	4.11	4.03	4.10	452 200	1 854 010
Friday, 12 November 2021	4.11	4.01	4.11	462 630	1 901 420
Thursday, 11 November 2021	4.15	4.00	4.09	622 270	2 545 080
Wednesday, 10 November 2021	4.31	4.13	4.15	151 350	628 100
Tuesday, 9 November 2021	4.41	4.19	4.31	1 346 230	5 802 260
Monday, 8 November 2021	4.28	3.97	4.25	1 348 010	5 729 040
Friday, 5 November 2021	4.02	3.94	3.99	456 670	1 822 120
Thursday, 4 November 2021	3.99	3.96	3.98	230 910	919 010
Wednesday, 3 November 2021	3.98	3.90	3.90	2 287 060	8 919 530
Tuesday, 2 November 2021	4.00	3.90	3.90	4 184 320	16 318 850
Monday, 1 November 2021	—	—	—	—	—
Friday, 29 October 2021	3.98	3.85	3.98	389 210	1 549 060
Thursday, 28 October 2021	3.90	3.85	3.88	303 130	1 176 140
Wednesday, 27 October 2021	4.04	3.85	3.86	248 230	958 150
Tuesday, 26 October 2021	4.08	3.55	3.80	351 760	1 336 700
Monday, 25 October 2021	4.10	4.05	4.05	128 620	520 920
Friday, 22 October 2021	4.12	3.95	4.12	832 850	3 431 350
Thursday, 21 October 2021	4.07	3.93	4.07	212 180	863 580
Wednesday, 20 October 2021	4.14	4.06	4.13	1 029 400	4 251 440
Tuesday, 19 October 2021	4.13	4.05	4.13	185 140	764 630
Monday, 18 October 2021	4.11	4.02	4.06	148 110	601 310
Friday, 15 October 2021	4.07	4.06	4.06	180 300	732 030
Thursday, 14 October 2021	4.07	4.06	4.07	1 296 290	5 275 900
Wednesday, 13 October 2021	4.14	4.01	4.05	49 840	201 850
Tuesday, 12 October 2021	4.08	4.03	4.03	757 160	3 051 340

Source: S&P Capital IQ

Trading of Fairvest Shares

Period	High (cents)	Low (cents)	Close (cents)	Volume	Value Traded (R)
Monthly					
2021					
October	2.10	1.95	1.95	14 908 310	29 984 680
September	2.10	1.75	2.10	13 024 250	26 427 590
August	1.92	1.75	1.75	9 060 530	16 660 100
July	1.95	1.65	1.75	18 041 080	32 692 840
June	1.95	1.80	1.89	36 288 710	67 171 920
May	1.98	1.80	1.88	61 617 500	113 874 070
April	2.00	1.78	1.82	12 808 560	23 740 360
March	2.04	1.75	1.99	12 582 950	23 562 020
February	1.90	1.70	1.75	9 881 640	17 437 330
January	1.90	1.67	1.80	3 129 530	5 573 770
2020					
December	1.80	1.65	1.77	7 233 020	12 442 390
November	1.70	1.58	1.66	42 968 870	74 148 950
Daily					
2021					
Monday, 22 November 2021	2.09	2.00	2.06	582 640	1 200 230
Friday, 19 November 2021	2.08	2.01	2.06	745 950	1 536 660
Thursday, 18 November 2021	2.05	2.00	2.01	71 880	144 470
Wednesday, 17 November 2021	2.05	2.02	2.02	109 730	221 650
Tuesday, 16 November 2021	2.08	2.01	2.08	41 060	85 400
Monday, 15 November 2021	2.04	2.00	2.02	103 910	209 890
Friday, 12 November 2021	2.01	2.01	2.01	270	540
Thursday, 11 November 2021	2.01	2.00	2.00	155 570	311 140
Wednesday, 10 November 2021	2.10	2.01	2.01	308 860	620 800
Tuesday, 9 November 2021	2.05	2.00	2.05	293 820	602 320
Monday, 8 November 2021	2.09	1.95	2.03	1 149 020	2 332 510
Friday, 5 November 2021	1.99	1.95	1.95	1 093 440	2 132 210
Thursday, 4 November 2021	1.97	1.95	1.97	25 200	49 640
Wednesday, 3 November 2021	1.97	1.95	1.95	1 658 810	3 234 690
Tuesday, 2 November 2021	1.99	1.92	1.95	3 024 840	5 898 450
Monday, 1 November 2021	–	–	–	–	–
Friday, 29 October 2021	2.00	1.91	2.00	2 273 500	4 547 000
Thursday, 28 October 2021	1.98	1.97	1.98	113 210	224 150
Wednesday, 27 October 2021	1.98	1.98	1.98	20 000	39 600
Tuesday, 26 October 2021	2.00	1.91	1.97	63 070	124 250
Monday, 25 October 2021	2.00	1.90	2.00	2 806 300	5 612 600
Friday, 22 October 2021	1.99	1.95	1.99	10 500	20 900
Thursday, 21 October 2021	1.96	1.95	1.95	160 830	313 630
Wednesday, 20 October 2021	1.99	1.95	1.95	32 810	63 980
Tuesday, 19 October 2021	2.00	1.90	1.96	207 760	407 200
Monday, 18 October 2021	–	–	1.96	–	–
Friday, 15 October 2021	2.00	1.95	1.96	279 640	548 100
Thursday, 14 October 2021	2.00	1.98	1.98	8 939 560	17 700 340
Wednesday, 13 October 2021	2.00	1.96	2.00	229 080	458 150
Tuesday, 12 October 2021	2.00	1.96	2.00	15 960	31 920

MATERIAL RISKS

A description of the material risks which are specific to the Combined Group, its shareholders and the property sector within which Arrowhead and Fairvest operates are set out below. References to the "Board", the "Company", the "Group" referred to in this Annexure should be interpreted in relation to the Combined Group, being the merged Arrowhead and Fairvest entity post implementation of the Transaction.

Key risk	Severity	Potential impact	Key focus area	Action taken to mitigate risk	Opportunity
Macroeconomic outlook	High	- Continued slow consumer spending and the lasting effect of the COVID-19 lockdown affecting lease negotiations and tenant retention negatively, resulting in increased arrears and vacancies - Increased tenant failures and bad debts	- Engage financially sound national tenants with strong balance sheets and proven business models - Solid collections and arrears process - Strong and effective lease department, limiting losses through vacancies and rental rates	- Monthly performance reporting - Monthly leasing meetings with the executive team - Monthly arrears meetings with the executive team - Executive consideration and direction on high-risk tenants	Continued focus on tenant retention, arrears motivations and asset management reporting
Increased cost of funding	High	Higher cost of funding and a decrease in distributable earnings	- Diversified funding base and staggered maturity of debt to manage refinancing concentration risk - Regular interaction with debt providers - Proactive refinancing of debt and swap agreements throughout COVID-19 period where beneficial interest rates were seen	Reporting on treasury management to the Board	- Continue to stagger maturity of debt to manage refinancing concentration risk - Continue regular interaction with debt providers - Explore alternative sources of funding - Reducing funding rates on certain debt facilities - Increased interaction with debt providers strengthens relationships with funders, and shareholders

Key risk	Severity	Potential impact	Key focus area	Action taken to mitigate risk	Opportunity
Political instability with rioting and unrest	High	- Damage to properties and asset base - Physical injuries - Prolonged closure of properties and tenants unable to trade - Decreased investor confidence	- Continued monitoring of economic and political landscapes - Increased security measures - Insurance policy reviews	- Implement crisis communication plan - Increased security measures - Insurance policy reviews	Improve stakeholder relationships with communities, government, and law enforcement
Occupational health and safety risk: Continued outbreaks of new variants of COVID-19 increases the risks for employees, and other service providers to contract the virus and become too ill to operate	High	- Key employees or service providers falling ill and unable to work decreases operational efficiencies - Increasingly ill consumer market, or a wary consumer market could impact trading density	Reviewing health and safety practices at offices and properties with compliance to occupational health and safety and Department of Labour requirements	- Increased health and safety measures implemented at offices and at properties - Employees on rotational shifts and equipped to work from home - Regular COVID-19 testing done - Encouragement to be vaccinated	- Encouraging employees and service providers to vaccinate to develop herd immunity - Through continued responsible practices and compliance with health and safety regulations, the Company is considered a responsible corporate citizen. This boosts stakeholder and shareholder confidence
Increased competition and tenant retention	High	- Discounted rental to retain tenants - Increased vacancies - Loss of revenue and distributable earnings	- Strong broker relationships and a dedicated internal broker liaison - Full leasing and renewal function performed in-house - Good tenant relationships	- Monthly leasing meetings with the executive team - Monthly performance reporting	- Building strong relationships with national retailers to understand their tenancy requirements - Strong relationships with tenants' reputation and brand, and make the Company the landlord of choice
Rising cost of occupancy for tenants from increased rates, taxes and utilities	High	- Inability of tenants to absorb the costs - Increase in our net cost to income - Increase in rental reversions on renewals, or vacancies	- Energy saving initiatives through solar projects - Monitoring of utilities per building including common areas - Municipal valuation objections to rates adjustments	- Energy Management Assessments - Internalised annual review of increases in rates and taxes and the need for municipal valuation objections	- Identifying further solar initiatives - Installation of smart meters to monitor accuracy of council billings - Monitoring of utilities and recovery thereof from tenants - Continue to review increases in rates and taxes and the need for municipal valuation objections

Key risk	Severity	Potential impact	Key focus area	Action taken to mitigate risk	Opportunity
Volatility in interest rate risk	High	Increase or volatility of funding cost reducing distributable earnings and limiting the ability to fund acquisitions growth	- Interest rate fixes and swaps - Funding in strategic partnerships linked to interest rate as an effective hedge	Reporting on treasury management to the Board - Continue to target a fixed debt component above 70% - Strong relationships with funders and shareholders improve trust - Reduce funding rates on certain debt facilities	
Over-reliance on strong performance of external service providers	High	- Inaccurate information and risk of misstatements in relation to financial reporting - Reputational risk associated with tenant dissatisfaction - Volatility of earnings	- Reviewing and refining the Standard Procedures applicable to property management - Implementation of checks to monitor and ensure information from service providers are complete and accurate - Implement MDA as an integrated property management and information system	- Annual external audit by BDO - Formal report on the outcome of external audit to the Audit and Risk Committee - Monthly performance reporting	- Continuously review and refine the Company Standard Procedures - Annual internal audit
Climate Change	Medium to High	- Increased heat and drought are all linked to climate change resulting in increased wildfires - Declining water supplies may impact health due to heat - Flooding and erosion in coastal areas are additional concerns	Improving and increasing ESG awareness through-out the Group so as to identify risks and opportunities presented by Climate Change	- ESG oversight delegated by the Board to the Social and Ethics Committee which will report to the Board - Increased training of staff members to begin implementing processes to reduce the Group's carbon footprint and impact on the environment - Disclosures in alignment with the Task Force on Climate-related Financial Disclosures (TCFD) will be implemented to provide investors with comparable and necessary information - ESG considerations to inform strategic decisions	- ESG considerations could be useful in informing future strategic decisions on the acquisition and/or disposal of properties - Investment in solar, water reduction and waste management could result in future cost savings

Key risk	Severity	Potential impact	Key focus area	Action taken to mitigate risk	Opportunity
Sub-optimal investments/ acquisitions	Medium	Increased potential of diminished returns with sub-optimal investments/acquisitions	Acquisitions assessed against mandated parameters and extensive due diligence procedures	Acquisitions approved by the Investment Committee and presented to the Board for approval	- Continue to assess mandated acquisitions parameters and perform extensive due diligence procedures - Continued proactive assessment of property performance can directly impact cash flow and asset base (disposals and acquisitions)
Unauthorised users gain access to the Group's information systems and information is compromised or withheld	Medium	Financial and reputational damage	Implementing an information technology system which can withstand malware and ransomware attacks	Continuous assessment of information technology systems and awareness campaigns to employees on means to identify and prevent data breaches	Enhanced technology to improve data security and ease of doing business
Non-compliance with Legislation and regulations	Low	Financial penalties and reputational damage	All current and future legislation assessed for applicability	Company Secretary, internal legal division together with external advisors remain abreast of current and future legislation so that the necessary steps may be taken to ensure timeous compliance	Seamless implementation of processes with minimal business interruption

CORPORATE GOVERNANCE STATEMENT

1. Introduction

Arrowhead's corporate governance report and Arrowhead's application of the principles of King IV as detailed on pages 29 to 37 and pages 39 to 45, respectively, of Arrowhead's 2020 integrated annual report can be accessed via <https://www.arrowheadproperties.co.za/annual-reports.php>.

Given that the Transaction is Fairvest-led, and that the proposed executive directors, the majority of the proposed non-executive directors and the majority of the members of the board committees of the Combined Group will comprise Fairvest directors, the corporate governance report as contained in the integrated annual report of Fairvest in respect of the year ended 30 June 2021 forms the basis of the corporate governance statement of the Combined Group post implementation of the Transaction.

Should the Transaction be successful, updates or amendments, if any, to the corporate governance statement in respect of the Combined Group will be contained in the integrated annual report of the Combined Group in respect of the year ending 30 September 2022.

References to "**Board**", "**Directors**", the "**Company**", the "**Group**", the "**Business**", the "**Memorandum of Incorporation**", "**Shareholders**" and "**Financial Year**" referred to in the remainder of this Annexure should be interpreted in relation to the Combined Group, being the merged Arrowhead and Fairvest entity post implementation of the Transaction.

2. Application of King IV™

The Board fully subscribes to the principles of good corporate governance, the principles set out in the King IV™ Report and regards these as fundamentally important to business success and sustainability of the Company. The Group's application register of the King IV™ principles is detailed on the website (<https://fairvest.co.za/img/pdf/Fairvest-King-IV-Application-Register.pdf>)

This report is a summary of the Company's corporate governance matters and should be read in conjunction with the King IV™ application register. The company secretary assists with strengthening the Board's effectiveness as well as continually enhancing the corporate governance processes and structures.

3. Roles and responsibilities of the Board

The Board is responsible for the overall strategic direction and leadership of the Company towards the achievement of an ethical culture, good performance, effective control, and legitimacy. The Company is committed to the promotion of good corporate governance and to following the principles of fairness, accountability, responsibility, and transparency as advocated in King IV™. The Board recognises the need to conduct the business of the Group with integrity and in accordance with generally accepted corporate governance practices.

The Board is elected by Shareholders and the Directors are accountable to Shareholders for the governance of the Group. The Board is led by an independent non-executive Chairman, Ndabezinhle Mkhize. The Board charter requires a clear division of responsibilities between the Chairman and the Chief Executive Officer to ensure a balance of power and authority, so that no one individual has unfettered powers of decision making.

The Company's executive directors, Darren Wilder (Chief Executive Officer) and Jacques Kriel (Chief Financial Officer) are involved in the day-to-day operations of the Business and assess strategy, performance, risks and opportunities and key performance areas and report to the Board at least quarterly.

The Company's independent non-executive Directors are appointed to provide an independent perspective with the relevant industry experience and to complement the skills and experience of the executive Directors, assessing strategy, performance, risk, key performance areas and conduct. The independent non-executive Directors are fully independent of management and are free to make their own decisions. They are free from any Business or other relationship which could be seen to materially interfere with the individual's capacity to act in an independent manner. The independence of Directors is assessed at least annually through the Remuneration and Nomination Committee and deliberated at Board level.

4. **Appointments to the Board**

The Board charter requires there to be a sufficient number of Directors with the appropriate mix and balance of knowledge, skills, qualifications and experience to ensure that the Board is able to carry out its duties and responsibilities.

Appointments to the Board are formal and transparent and are a matter for the Board as a whole, through recommendations from the Remuneration and Nomination Committee. Input from material stakeholders and external references, combined with experience levels, qualifications and skill sets are considered given the Board's requirements at the time before a candidate is submitted for nomination and appointment.

The Board promotes transformation at a Board level and will consider the promotion of diversity attributes as set out in the Broad Board Diversity Policy for any new Board appointments to create a more diverse Board.

Broad diversity of Directors on the Board enables robust debate and ensures that the Board considers the interests of its diverse stakeholders.

5. **Rotation of Directors**

In line with the current provisions of the Memorandum of Incorporation, one-third of all Directors are required to retire annually at the Company's Annual General Meeting ("**AGM**") and if eligible, may be re-elected.

6. **Broad Board diversity**

The Board has approved and adopted the Broad Board Diversity Policy and subscribes to the benefits of diversity on the Board that leads to diverse thinking and deliberations. The elements of diversity included in the Broad Board Diversity Policy include gender, race, culture, age, field of knowledge, skills and experience. The knowledge, skills and experience of the Board members include the following:

- Accounting
- Actuarial science
- Asset and portfolio management
- Business management
- Corporate governance
- Environmental sustainability
- Entrepreneurship and business development
- Engineering
- Financial analysis and stockbroking
- Investment
- Leadership
- Logistics management
- Listed company environment
- Property investment and development
- Retail real estate
- Retail and office leasing
- Strategic financial management
- Stakeholder management
- Regulatory compliance
- Risk management
- Technology and information management

7. **Independence**

The Board comprises a balance of executive (two Directors) and non-executive Directors (eight Directors), with a majority of Non-Executive Directors (seven Directors) being independent.

The independence of all independent non-executive Directors is assessed on an annual basis with specific focus on the independence of non-executive Directors who have served for more than nine years. Factors which could impact on the independence of Directors are considered, including those contained in King IV™ and the Listings Requirements.

8. Board committees

The Board is assisted in the performance of its duties by four committees, an Audit and Risk Committee, a Remuneration and Nomination Committee, an Investment Committee and a Social and Ethics Committee.

The Board is conscious of the fact that such delegation of duties is not an abdication of the Board members' responsibilities.

The various committees' terms of reference are reviewed annually and have been aligned to the key principles of King IV™. Each of the Board Committees' terms of reference clearly regulates membership and key responsibilities of the respective committees.

8.1 Audit and Risk Committee

Minimum number of Committee meetings to be held in each Financial Year: 4

Composition:

Nozipho Makhoba (Chair)

Khegu Nkuna

Jacob Wiese

Invitees:

The external auditor and executive management attend the meetings by invitation.

The Audit and Risk Committee comprise independent non-executive Directors, and the members are annually nominated by the Board and elected by Shareholders at the AGM. All members satisfied the requirements of section 94(4) of the Companies Act and have the appropriate financial and related qualifications, skills, financial expertise, and experience required to discharge their responsibilities.

Roles and responsibilities

General

The Committee is an independent statutory committee and, in addition to having specific statutory responsibilities to the shareholders in terms of the Companies Act, also assists the Board through advising and making recommendations on financial reporting, risk management and internal financial controls, the external and internal audit functions as well as the statutory and regulatory compliance of the Group.

The Committee has adopted formal terms of reference, delegated to it by the Board of its scope and responsibilities. The Committee follows an annual work plan to ensure all its duties and responsibilities as set out in its terms of reference are dealt with.

Responsibilities of the Committee include:

Audit

- Assisting the Board by providing an objective and independent view on the organisation's finance, accounting and control mechanisms and reporting procedures.
- Providing additional assurance regarding the efficiency and reliability of the financial information used by the Directors in the discharge of their duties.
- Reviewing the effectiveness of the Group's system of internal financial controls and establishing that the Group has appropriate financial reporting procedures and that those procedures are operating and comply, in all material respects, with the requirements of the Companies Act and International Financial Reporting Standards.
- Recommending the reappointment of BDO South Africa as the external auditor at the AGM.
- Reviewing the interim and annual financial statements and the integrated annual report for recommendation to the Board and ensuring compliance with International Financial Reporting Standards, the Listing Requirements and the requirement of the Companies Act.
- Interacting with and review the findings of the external auditors.

Risk

- Risk management is regarded as a key driver for the Company to achieve its strategic objectives and the Committee monitors the significant risks to the Business and strategy.
- Overview of the enhancement of risk management processes, policies and procedures.
- Monitoring the risk management framework adopted by the Group.

External audit

The Committee assesses the independence, expertise and objectivity of BDO South Africa as the external auditor, as well as approves the fees paid to BDO South Africa. The Committee receives confirmation from the external auditor that the partners and staff responsible for the audit comply with all legal and professional requirements with regard to independence. The Committee assesses the key audit matters as presented by BDO South Africa and agree that these items are the most significant for the audit.

The Committee reviews the information detailed in paragraph 22.15(h) of the Listings Requirements in arriving at a conclusion as to whether the external auditor and the engagement audit partner are suitable and have the requisite competence, expertise and experience to discharge their responsibilities.

The Committee intend to recommend BDO South Africa for reappointment as group auditors. The Committee has taken note of the introduction of mandatory audit firm rotation rule effective from 1 April 2023 in terms of which an audit firm may only serve a maximum of 10 years as auditor, with a five-year cooling-off period.

Evaluation of the Chief Financial Officer

The Committee satisfied itself as to the appropriateness of the expertise and experience of the Group's Chief Financial Officer, Jacques Kriel. This is based on the qualifications, levels of experience, continuing professional development, education and the Board's assessment of the financial knowledge of the Chief Financial Officer.

Chief Executive Officer and Chief Financial Officer's responsibility statements

In line with paragraph 3.84(k) of the Listings Requirements the Chief Executive Officer and Chief Financial Officer have confirmed in the Fairvest 2021 integrated annual report:

- the annual financial statements set out on pages 65 to 104 of the Fairvest 2021 integrated annual report, fairly present in all material respects the financial position, financial performance and cash flows of the issuer in terms of IFRS;
- no facts have been omitted or untrue statements made that would make the annual financial statements false or misleading;
- internal financial controls have been put in place to ensure that material information relating to the issuer and its consolidated subsidiaries have been provided to effectively prepare the financial statements of the issuer; and
- the internal financial controls are adequate and effective and can be relied upon in compiling the annual financial statements, having fulfilled our role and function within the combined assurance model pursuant to principle 15 of King IV™. Where we are not satisfied, we have disclosed to the Audit and Risk Committee and the auditor the deficiencies in design and operational effectiveness of the internal financial controls and any fraud that involves directors, and have taken the necessary remedial action.

The above statement required to be made by the Chief Executive Officer and Chief Financial Officer in compliance with paragraph 3.84(k) of the Listings Requirements will be included in the 2021 integrated annual report of Arrowhead and in the 2022 integrated annual report of the Combined Group.

8.2 Remuneration and Nomination Committee

Minimum number of Committee meetings to be held in each Financial Year: 2

Composition:

Louis Andrag (Chair)

Jacques du Toit

Ndabezinhle Mkhize

Invitees:

The executive Directors will attend meetings by invitation.

The Committee is appointed by the Board and has delegated authority, in accordance with its terms of reference, to review and make decisions regarding the Group's remuneration policies and the implementation thereof.

Due to the size and nature of the Business and the Board, the Remuneration and Nomination Committee is a combined Committee.

Remuneration

- The remuneration approach of the Company is to remunerate fairly, responsibly and transparently to promote the achievement of strategic objectives and positive outcomes in the short, medium, and long term.
- The Company will continue with the independent benchmarking exercise, by Deloitte Consulting, and further work has been requested in this regard.
- Remuneration is steered with the remuneration policy and the responsibility of monitoring remuneration has been delegated to the Committee.
- The current remuneration structure in the Company is regarded as fit for purpose and the Company remains committed to remunerate so as to encourage growth and sustainability of the Business.

Nomination

- The Committee has adopted and approved a Broad Board Diversity Policy and it has been approved by the Board.
- The Company remains committed to achieving enhanced board diversity, especially relating to gender and race representation of the Board over time, in line with its Diversity Policy. The Board is satisfied that its composition reflects an appropriate mix of knowledge, skills, experience and independence.
- The evaluation of the performance of the Board, Committees, Chairman and the Board's individual members is managed through the Committee. There were no areas of material concerns identified during the evaluation process. The Board is committed to continuous improvement with a focus on performance and effectiveness and have identified areas of enhancement to further strengthen the Board.
- The independence of Directors is considered by the Committee.

Voting and shareholder engagement

The Company encourages engagement with Shareholders on remuneration related matters to promote fair and transparent remuneration policies, implementation and reporting. The Remuneration Policy as well as the Implementation Report will be proposed as separate nonbinding advisory resolutions for consideration by Shareholders at the AGM each year.

In the event that 25% or more of Shareholders vote against either the Remuneration Policy or the Implementation Report, or both, at the AGM, the Company will engage with shareholders through dialogue, requesting written submissions or otherwise, in order to address Shareholder concerns, always with due regard to meeting the Company's stated business objectives while being fair and responsible toward both the employees and Shareholders.

8.3 *Investment Committee*

Minimum number of Committee meetings to be held in each Financial Year: 2

Members:

Ndabezinhle Mkhize (Chair)

Jacques du Toit

Louis Andrag

Jacob Wiese

Khegu Nkuna

Nozipho Makhoba

Arnold Basserabie

Darren Wilder

Jacques Kriel

The Committee meets when decisions are required to acquire, dispose of or significantly redevelop property assets. A full due diligence is undertaken before any property is considered for acquisition and is circulated to all members of the Committee and Board in advance of meetings. Decisions of the Committee and Board require consensus. The Investment Committee will meet not less than twice in each Financial Year, however, will in addition meet as and when required to approve acquisitions, disposals and other matters falling within its mandate.

8.4 **Social and Ethics Committee**

Minimum number of Committee meetings to be held in each Financial Year: 2

Members:

Louis Andrag (Chair)

Riaz Kader (Prescribed Officer)

Nadine Smith (Standing Invitee)

In compliance with applicable legislation and regulations, the Company has an established Social and Ethics Committee. The Committee operates independently of management and is free of any organisational impairment. The Committee is governed by formal terms of reference that include the Committee's responsibilities in terms of the Companies Act, the Listings Requirements, King IV™ and its duties as delegated by the Board.

The Social and Ethics Committee assists the Board in monitoring and oversight of matters that include the social, ethics, employment, health and safety, environmental, corporate citizenship, stakeholder relationships and sustainable development of the Group.

The role and responsibilities of the Committee, include, *inter alia*:

- Monitor the Group's activities relating to social and economic development, stakeholder and consumer relationships, labour and employment issues, and health and safety in accordance with applicable legislation and standards.
- Monitor adherence to corporate citizenship principles and ethical behaviour.
- Ensure the Group's interactions with stakeholders are guided by legislation and regulation.
- Oversee and monitor the B-BBEE strategy of the Company.

9. **The Company Secretary**

The Company Secretary of the Company is Vicki Turner.

The Board is of the opinion that the Company Secretary is suitably qualified and experienced to carry out her duties as stipulated under section 84 of the Companies Act. The Company Secretary provides Board members with guidance in respect of their statutory duties and ensures that they are up to date on all relevant statutory requirements. All Directors have unfettered access to management and management information, to the advice and services of the Company Secretary and in appropriate circumstances they may seek independent professional advice about the affairs of the Group at the Company's expense.

The Board has reviewed, through discussion and assessment, the qualifications, experience, and competence of Vicki Turner and has noted that the Company Secretary performed all formalities and substantive duties timeously and in an appropriate manner. The Board is satisfied that an arm's length relationship exists.