

Safari Investments (RSA) Limited  
(Incorporated in the Republic of South Africa)  
(Registration number: 2000/015002/06)  
Share code: SAR  
ISIN: ZAE000188280  
("Safari" or the "Company")

## UPDATE ON THE PROPOSAL RECEIVED FROM COMMUNITY PROPERTY COMPANY PROPRIETARY LIMITED ("COMPROP")

### 1. Background

The shareholders of Safari ("**Safari Shareholders**") are referred to the announcement released by the Company on SENS on 22 July 2019 ("**First Announcement**") relating to, *inter alia*, the receipt by the board of directors of Safari ("**Safari Board**") of an unsolicited, binding written proposal ("**Comprop Proposal**") from Comprop stating its firm intention to make a cash offer to acquire all of the issued shares of Safari ("**Safari Share(s)**") at an ex dividend price of R5.90 per share ("**Offer Consideration**") by way of a scheme of arrangement ("**Scheme**") in terms of section 114 of the Companies Act, No. 71 of 2008, as amended ("**Companies Act**"), and to subsequent announcements released by Safari on SENS on 14 August 2019, 26 August 2019 and 12 September 2019, and by Comprop on 10 September 2019.

### 2. Preliminary findings of the independent professional expert

The Safari independent board, comprising of Allan Wentzel, Mark Minnaar and Chris Roberts ("**Independent Board**"), has now received and considered the preliminary findings ("**Preliminary Findings**") of BDO Corporate Finance Proprietary Limited ("**Independent Expert**" or "**BDO**"). BDO were appointed to express an opinion, if ultimately required in terms of the Companies Act, on whether the Comprop Proposal is fair and reasonable to Safari Shareholders, as contemplated in sections 114(2) and 114(3) of the Companies Act and regulations 90 and 110(1) of the regulations under the Companies Act.

On Wednesday, 18 September 2019, the Independent Board received the Preliminary Findings, which determined that the Offer Consideration is considered to be (i) reasonable, in that it represents a premium of 38.5% to the closing price of a Safari Share on the JSE Limited on 19 July 2019 (being the day before the release of the First Announcement), and (ii) fair, in that BDO have determined a fair valuation range of between R5.80 and R6.67 per Safari Share (on a comparable, ex dividend basis), with a most likely fair value of R6.23 per Safari Share. The Independent Board has noted that whilst the Offer Consideration is within the fair value range determined by the Independent Expert, the Offer Consideration of R5.90 per Safari Share is at the lower end of this range.

### 3. Engagements with Comprop

The Independent Board continues to engage with Comprop to find an appropriate way forward on key commercial and legal aspects of the Comprop Proposal, including issues relating to the voting of the Safari Shares held by Southern Palace Capital Proprietary Limited, timing and conditionality of the Scheme, and the recovery of Safari's out-of-pocket costs of the Scheme should it be proposed and fail. These discussions are informed by the present circumstances, including the outcomes of the Preliminary Findings and the divergent Safari Shareholder views on the Comprop Proposal communicated to the Independent Board to date.

#### **4. Continuation of cautionary and responsibility statement**

Safari shareholders are advised to continue to exercise caution when dealing in Safari's securities until a further announcement is made.

The Safari Board (and, as applicable, the Independent Board) accepts responsibility for the information contained in this announcement to the extent that it relates to Safari. To the best of its knowledge and belief, such information contained in this announcement is true and nothing has been omitted which is likely to affect the importance of such information.

Pretoria

27 September 2019

**Corporate adviser and transaction sponsor to Safari**

Nedbank Corporate and Investment Banking, a division of Nedbank Limited

**Legal adviser to Safari**

Webber Wentzel

**Independent professional expert**

BDO Corporate Finance Proprietary Limited