

SAFARI INVESTMENTS (RSA) LIMITED

(Incorporated in the Republic of South Africa)

(Registration number 2000/015002/06)

Share code: SAR ISIN: ZAE000188280

(Approved as a REIT by the JSE Limited)

("Safari" or the "Company")

JOINT MERGER FILING BY HERIOT PROPERTIES PROPRIETARY LIMITED AND SAFARI

1. Background

Safari shareholders ("**Safari Shareholders**") are referred to the announcement on SENS on 27 July 2021 advising, *inter alia*, that Heriot Properties Proprietary Limited and related parties, being Heriot Investments Proprietary Limited and Reya Gola Proprietary Limited ("**Heriot**") has, in aggregate, acquired an interest in the securities of the Company such that the total interest in the securities of the Company held by Heriot amounts to 32.20% of the total issued share capital of the Company.

As of the date hereof, Heriot's shareholding is approximately 32,51% of the total issued share capital of the Company. Heriot's shareholding is below the regulatory 35% threshold for an affected transaction under the Companies Act. However, for South African merger control purposes a shareholder's effective voting interest is relevant, having regard to the general voting patterns at shareholder meetings. In this context, if fully exercised, Heriot's voting power for merger purposes could potentially exceed 50%, depending on shareholder turnout.

2. Heriot's strategic intention; joint merger filing to the Competition Authorities

Heriot has advised that it intends to continue to increase its shareholding in the Company, and considers that Safari owns a property portfolio that is complementary to the property portfolio owned by it and that such enhanced shareholding will allow it to expand its real estate investments.

In light of this intent and the relevant voting considerations, Heriot has sought formal merger approval from the Competition Authorities in South Africa and Namibia by way of a joint filing by it and Safari. Pending such approval, Heriot will ensure that it does not exercise more than 50% less 1 vote of the total votes cast at Safari shareholder meetings.

To enhance synergies and alignment, Heriot and Safari will enter into a relationship agreement to address various aspects of their relationship, including a framework to manage governance conflicts, if any.

The merger filing in Namibia has been approved, without conditions. The merger filing in South Africa was lodged on Friday, 3 December 2021 and is categorised as a large merger under the Competition Act, 89 of 1998. In the ordinary course, the decision of the South African Competition Tribunal on the filing can be expected in the first half of 2022.

Pretoria

8 December 2021

Sponsor

PSG Capital



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