
DISPOSAL OF SHARES IN STENPROP LIMITED

1. INTRODUCTION

Shareholders are advised that Zarclear disposed of 6 400 000 shares in Stenprop Limited ("Stenprop") for a sale price of R20.00 per Stenprop share and an aggregate sale consideration of R128 000 000.00, which sale was executed by way of an on-market block trade on the JSE (the "**disposal**").

Following the disposal, Zarclear now owns in aggregate 14 478 477 Stenprop shares, thus decreasing its shareholding to c.4.85% of the total Stenprop shares in issue.

2. DESCRIPTION OF STENPROP AND RATIONALE FOR THE DISPOSAL

Stenprop is a Guernsey-registered UK REIT with a dual-primary listing on the Main Board of the JSE and on the Specialist Fund Segment of the Main Market of the London Stock Exchange, whose objective is to deliver sustainable growing income to its investors. Stenprop's investment policy is to invest in a diversified portfolio of UK multi-let industrial ("**MLI**") properties with the strategic goal of becoming the leading MLI business in the UK.

Zarclear's shareholding in Stenprop forms a disproportionately large part of the Zarclear portfolio. The disposal was effected to reduce Zarclear's exposure to Stenprop and create additional liquidity in the Company, which will assist in funding the Company's proposed offer to its shareholders to voluntarily tender for the repurchase of their existing shareholding in Zarclear (the "**share repurchase offer**"), as previously announced on 13 May 2020.

The proceeds of the disposal will be held as cash and cash resources pending the share repurchase offer.

3. FINANCIAL INFORMATION

Stenprop's last reported net asset value and its net profit after tax, as disclosed in its preliminary audited results, prepared in terms of IFRS, for the year ended 31 March 2020 were GBP391.3 million and GBP15.2 million, respectively.

4. CATEGORISATION

The disposal is classified as a category 2 transaction in terms of the JSE Listings Requirements and is, accordingly, not subject to approval by shareholders.

12 June 2020

Sponsor



JAVACAPITAL