

**SABVEST CAPITAL LIMITED**

(Incorporated in South Africa)

(Registration number 2020/030059/06)

JSE share code: SBP

ZAE000283511

("Sabcap")

**SETTLEMENT BY SABVEST LIMITED ("SABVEST") OF SECTION 164 APPRAISAL CLAIMS**

Sabcap shareholders are advised that Sabvest has settled the appraisal rights claims brought against it, pursuant to the scheme of arrangement implemented on 18 May 2020 between Sabvest and Sabvest shareholders, as follows:

1. The claims by Sabvest shareholders arise from the scheme of arrangement approved by shareholders on 27 March 2020 ("Relevant Date") in terms of which Sabcap acquired all the shares in Sabvest in exchange for Sabcap consideration shares, which Sabcap shares were subsequently listed on the Main Board of the Johannesburg Stock Exchange ("JSE").
2. Sabvest shareholders holding 251 880 Sabvest shares exercised their appraisal rights and demanded that their shares ("the appraisal rights shares") be acquired by Sabvest for cash at "fair value" plus interest, notwithstanding that they held the same look through portfolio of assets both before and after implementation of the scheme of arrangement and related restructure.
3. In the founding court affidavit, the applicants contended that R69,21 represented the fair value per Sabvest share, being the applicants' estimate of the NAV per Sabvest share at the Relevant Date, referenced to the published NAV per Sabvest share of R66,89 as at 31 December 2019.
4. Sabvest contended that the fair value of Sabvest shares as JSE-listed shares was either their spot market price of R30,00 per share, or the 30 day VWAP of R33,67 (being the highest of the 30, 60 and 90 day VWAPs) calculated to 26 March 2020, and offered the latter to the applicants in settlement of their appraisal rights claims. This basis of calculating the fair value of Sabvest shares and the amount offered were supported by the opinions of two separate, independent professional valuers.
5. In the interests of expediency, and to avoid ongoing legal costs and use of executive time in the context of the size of the claim, Sabvest has acquired the appraisal rights shares in two tranches. One shareholder had already accepted Sabvest's offer of R33,67. The applicants themselves and Sabvest negotiated a price of R47,54 for the balance of the appraisal rights shares (without Sabvest and the applicants agreeing on any specific fair value methodology or calculations). The details are as follows:
  - 13 252 shares for R33,67 per share free of interest; and
  - 238 628 shares for R47,54 per share free of interest.

The parties are responsible for their own legal costs.

Sandton

4 February 2021

Sponsor

RAND MERCHANT BANK (A division of FirstRand Bank Limited)