

**DENEB INVESTMENTS LIMITED**  
Registration number: 2013/091290/06  
(Incorporated in the Republic of South Africa)  
JSE share code: DNB  
ISIN: ZAE000197398  
("Deneb" or the "Company")



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## CATEGORY 2 DISPOSAL ANNOUNCEMENT

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### 1. INTRODUCTION

Shareholders are advised that on 13 October 2023, the Company, through its wholly-owned subsidiary, Sargas (Pty) Ltd ("**Seller**"), entered into an agreement ("**Agreement**") with Groforce Investments (Pty) Ltd (registration number 2022/826196/07) ("**Purchaser**") (beneficially owned by Zaid Yakoob Paruk) in terms of which the Seller will dispose of the properties situated at 40 Leicester Road, Mobeni West, Durban and described as Erf 434 Mobeni, Registration Division FT, Province of KwaZulu Natal, in extent 8094 square meters and Erf 470 Mobeni, Registration Division FT Province of KwaZulu Natal, in extent 8091 square meters, together with the existing lease agreement in respect thereof ("**Properties**"), to the Purchaser, as a going concern, for a disposal consideration of R65 000 000 ("**Disposal Consideration**") ("**Disposal**").

### 2. RATIONALE FOR THE DISPOSAL

The Properties are not considered core to the strategy of the Company.

### 3. DISPOSAL CONSIDERATION

The Disposal Consideration of R65 000 000 will be paid in cash by the Purchaser on the Transfer Date (as defined below).

### 4. APPLICATION OF THE DISPOSAL CONSIDERATION

The Disposal Consideration will be used to settle outstanding debt.

### 5. EFFECTIVE DATE OF THE DISPOSAL

The effective date of the Disposal will be the date of registration of transfer of the Properties into the name of the Purchaser ("**Transfer Date**"), which is anticipated as being on or about the end of February 2024.

### 6. SIGNIFICANT TERMS OF THE AGREEMENT

The Properties are sold on a *voetstoots* basis, with the Purchaser having conducted a due diligence investigation to its satisfaction.

The Agreement requires the Seller to provide an ASIB certificate of compliance in respect of the sprinkler system installed in the buildings situated on the Properties by 30 November 2023, failing which either party is entitled to cancel the Agreement on written notice to the other party.

The transfer of the Properties to the Purchaser requires the consent of the city council in terms of the conditions of title contained in the deed of transfer for the Properties.

## **7. FINANCIAL INFORMATION**

The value of the net assets comprising the Properties as at 31 March 2023, being the date of the last audited consolidated financial statements of the Company, was R65 700 000.

The profit after tax attributable to the Properties for the year ended 31 March 2023, was R3 718 522, based on the management accounts of the property division of the Seller for the year ended 31 March 2023.

The Company is satisfied with the quality of the relevant management accounts of the property division of Seller; however, shareholders are cautioned that they are unaudited.

## **8. CLASSIFICATION OF THE DISPOSAL**

The Disposal constitutes a category 2 transaction in terms of the JSE Limited Listings Requirements.

Cape Town  
13 October 2023

Sponsor  
PSG Capital



PSG CAPITAL