

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")



CATEGORY 2 DISPOSAL ANNOUNCEMENT

1. INTRODUCTION

Shareholders are advised that on 14 November 2023 ("**Signature Date**"), the Company, through its wholly-owned subsidiary, Sargas (Pty) Ltd ("**Seller**"), entered into an agreement ("**Agreement**") with Gerber Advisory Specialists (Pty) Ltd (registration number 2018/315185/07) ("**Purchaser**") (beneficially owned by Gerber Goldschmidt Group (SA) (Pty) Ltd, which is in turn beneficially owned and controlled by GGG Holdings (Pty) Ltd, none of which are related parties of the Company) in terms of which the Seller will dispose of Erf 173314, Cape Town situated at 34 Kinghall Avenue, Epping, in extent 2,5111 hectares (of which 0,6 hectares is excess land), together with the existing lease agreement in respect thereof ("**Property**"), to the Purchaser, as a going concern, for a disposal consideration of R64 350 000 ("**Disposal Consideration**") ("**Disposal**").

2. RATIONALE FOR THE DISPOSAL

The Property is not considered core to the strategy of the Company.

3. DISPOSAL CONSIDERATION

The Disposal Consideration of R64 350 000 is payable by way of a deposit of R5 000 000 within a period of 7 days from the Signature Date with the balance, to be secured by way of a guarantee to the satisfaction of the Seller, payable 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 Property into the name of the Purchaser ("**Transfer Date**"), which is anticipated as being on or about the middle of February 2024.

6. SIGNIFICANT TERMS OF THE AGREEMENT

The Property is sold on a *voetstoots* basis and the Disposal is subject to:

- the approval of the board of directors of the Seller and the Purchaser within 14 days from the Signature Date; and
- the Purchaser obtaining a loan from a financial institution for at least 60% of the Disposal Consideration within a period of 30 days from the Signature Date.

7. FINANCIAL INFORMATION

The value of the net assets comprising the Property as at 31 March 2023, being the date of the last audited consolidated financial statements of the Company, was R60 300 000.

The profit after tax attributable to the Property for the year ended 31 March 2023, was R3 517 973 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
15 November 2023

Sponsor
PSG Capital

