

HERIOT REIT LIMITED

(Incorporated in the Republic of South Africa)

(Registration number: 2017/167697/06)

(Approved as a REIT by the JSE)

JSE share code: HET

ISIN: ZAE000246740

(“Heriot” or “the Company”)



ACQUISITION OF A UNIT IN FIBONACCI CAPE TOWN BY A RELATED PARTY

1. INTRODUCTION

Shareholders are hereby advised that the Heriot Trust No.3, Registration Number: IT 1101/2009 (“**Heriot Trust**”) of which the Company is the sole beneficiary and Daniel Snoyman, a director of the Company, entered into a sectional title off-plan agreement of sale (“**the Agreement**”), in terms of which Daniel Snoyman or his nominee (“**the Purchaser**”) will acquire a purpose built student accommodation residential unit together with an undivided share of the common property (“**Unit**”) in the proposed mixed used sectional-title development to be known as Fibonacci Cape Town (“**the Scheme**”) for a purchase consideration of R1 234 500.00 (one million two hundred thirty four thousand five hundred Rand) including value added tax (“**Purchase Consideration**”) (“**Proposed Transaction**”). The Proposed Transaction is considered to be a related party transaction and is required to be announced in accordance with paragraph 21.12(c) of the JSE Listings Requirements.

2. RATIONALE FOR THE PROPOSED TRANSACTION

The rationale for the Proposed Transaction is that the Heriot Trust requires sufficient pre-sales in order for the Scheme to proceed. The Purchaser is acquiring the unit on an arm’s length basis and at a market price on the same basis as other purchasers in the Scheme.

3. SALIENT TERMS OF THE PROPOSED TRANSACTION

3.1 Effective Date and Transfer Date

3.1.1 The Agreement will become effective on the date of fulfilment of the suspensive condition in paragraph 3.2.1 below.

3.1.2 All risk and benefit to the Unit shall transfer to the Purchaser on the date that the Unit is transferred into the name of the Purchaser, which date shall be as close as possible to the estimated transfer date of 1 January 2028 and after the fulfilment of the conditions set out below (“**Estimated Transfer Date**”).

3.2 Conditions

3.2.1 The Agreement is subject to the suspensive condition that the Purchaser obtains approval for a mortgage bond equal to the Purchase Consideration within 30 (thirty) days of the date of signature of the Agreement (“**Signature Date**”) or such extended period as the Heriot Trust, in its sole discretion, may determine (“**Suspensive Condition**”).

3.2.2 Following fulfilment of the Suspensive Condition, the Agreement will become effective and shall lapse if any of the following resolutive conditions (“**Resolutive Conditions**”) are not fulfilled:

3.2.2.1 the Heriot Trust having resolved to proceed with the Scheme and having notified the Purchaser

by no later than 31 March 2026 of its decision not to proceed with the Scheme (which will be dependent on the economic viability of the Scheme and the response from the purchasing public). If no such notification is given, the Heriot Trust will be deemed to have committed itself to the Agreement and Proposed Transaction; and

- 3.2.2.2 the Heriot Trust having obtained from the competent authorities, on or before 31 March 2026, all such approvals required for the implementation of the Scheme.
- 3.2.3 The Heriot Trust may, in its sole discretion, extend the dates for fulfilment of the Resolutive Conditions, provided that the condition referred to in paragraph 3.2.2.1 may be extended for a maximum of 3 (three) months, by notifying the Purchaser in writing of such extension.

3.3 Purchase Consideration

- 3.3.1 The Purchase Consideration in respect of the Proposed Transaction is payable as follows:
 - 3.3.1.1 a deposit of R60 000.00 (sixty thousand Rand) within seven days from the Signature Date; and
 - 3.3.1.2 the remaining balance on the Estimated Transfer Date.
- 3.3.2 The proceeds of the Purchase Consideration will be utilised to fund development expenses.

4. CATEGORISATION OF THE PROPOSED TRANSACTION

The size of the Proposed Transaction in relation to the Company's market capitalisation is below the threshold for it to be considered to be a small-related party transaction or a transaction that requires shareholder approval.

Johannesburg
27 January 2026

Designated Advisor
Valeo Capital (Pty) Limited

