

SPEAR REIT LIMITED

(Incorporated in the Republic of South Africa)

(Registration number 2015/407237/06)

Share Code: SEA

ISIN: ZAE000228995

LEI: 378900F76170CCB33C50

Approved as a REIT by the JSE

("Spear" or "the Company")



SPEAR
REIT LIMITED

VOLUNTARY UPDATE: ACQUISITION OF 27 JUNCTION ROAD, PAROW

Shareholders are referred to the announcement released by the Company on SENS on 31 January 2022, in which it was announced that Spear entered into an agreement to acquire the immovable property known as Erf 22775 Parow, situated at 27 Junction Road, Parow ("**Property**") and the letting enterprise conducted on such Property, for a gross purchase consideration of R65 million ("**Acquisition**").

Shareholders are advised that the Acquisition has been successfully implemented and that the Property was transferred to Spear on 9 May 2022. The Property comprises of a 11 500m² industrial building constructed on a 2,4 hectare erf, which is located in the highly desirable industrial node of Parow Industria. The Property is currently fully let and yielding rental income for Spear.

Shareholders are further advised that Spear has entered into a 10 year and 9 month lease agreement with Pepkor Trading Proprietary Limited ("**Pepkor**"), who will use the Property for logistics, assembly and bulk storage. Pepkor will take occupation of the Property on an agreed date, post tenant specific installation being completed and the current tenant vacating the Property.

The Acquisition aligns with Spear's strategy to increase its holdings of long-dated industrial assets in the Western Cape with high quality tenant covenants providing sustainable income streams. Spear's regional focus and proximity to the local market will continue to unlock high quality investment opportunities for Spear.

This Acquisition will contribute meaningfully to Spear's earnings going forward, as the acquisition is accretive from the transfer date.

The Acquisition is uncategorised in terms of the JSE Limited Listings Requirements, and the information contained in this announcement has been voluntarily disclosed by the Company.

Cape Town
12 May 2022

Sponsor
PSG Capital



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