

RECM and Calibre Limited
(Incorporated in the Republic of South Africa)
Registration number 2009/012403/06
Preference Share Code: RACP
ISIN: ZAE000145041
("RAC" or "the Company")



INVESTMENT IN ASTORIA

1. INTRODUCTION

Shareholders are advised that RAC, acting through its wholly-owned subsidiary, Livingstone Investments Proprietary Limited ("**Livingstone**"), has acquired a further 60 300 000 shares in Astoria Investments Limited ("**Astoria**"), at R2.40 per share, from Hampden Capital (Pty) Ltd, Legae Peresec (Pty) Ltd and various portfolios managed by 36ONE Asset Management (Pty) Ltd, on 30 October 2019, for an aggregate cash consideration of R144 720 000 ("**the Transaction**").

This Transaction increases RAC's ownership of Astoria from 29.4% to 78.45% and imposes an obligation on RAC, acting through Livingstone, to make a mandatory offer to acquire all the remaining voting shares of Astoria, not already owned by RAC, under Rule 33 of the Mauritian Securities Takeover Rules, 2010.

A further announcement in this regard will be made by RAC in due course.

2. OVERVIEW OF ASTORIA

Astoria is an investment company which has primary listings on the Stock Exchange of Mauritius ("**SEM**") and the Alternative Exchange ("**AltX**") of the JSE and a secondary listing on the main board of the Namibian Stock Exchange ("**NSX**").

As at 30 September 2019, the net asset value ("**NAV**") per Astoria share was USD 0.174, as announced by Astoria on SENS.

As at 30 June 2019, Astoria's funds were deployed as follows: cash: 53.8%, private equity: 34.7% and listed global equities: 11.5%.

Astoria's assets are managed in accordance with its investment policy approved by its shareholders on 20 March 2019. Further information on Astoria is available in the latest Astoria annual report, which is available on Astoria's website at <http://www.astoria.mu/>.

3. RATIONALE FOR THE TRANSACTION

Prior to this transaction, RAC's ownership of Astoria was 29.4%. With a larger shareholding, RAC would be able to provide its capital allocation framework to the Astoria board of directors for implementation going forward.

4. FINANCIAL INFORMATION OF ASTORIA

In terms of the unaudited interim financial results of Astoria for the six months ended 30 June 2019, the NAV of Astoria was USD23 027 041, and Astoria generated a net loss after tax of USD464 000.

The above unaudited historical financial information of Astoria has been prepared in accordance with International Financial Reporting Standards.

5. CHANGE OF CONTROL

As a result of the above Transaction, Astoria will become a subsidiary of RAC. The Board hereby confirms that the constitution of Astoria will not frustrate the Company in any way from compliance with its obligations in terms of the JSE Listing Requirements.

Cape Town
1 November 2019

Sponsor



Questco Corporate Advisory Proprietary Limited