

ASTORIA INVESTMENTS LTD

(Incorporated in the Republic of Mauritius)

(Registration number 129785 C1/GBL)

SEM share code: ATIL.N0000

JSE share code: ARA NSX share code: ARO

ISIN: MU0499N00007

(“Astoria” or the “Company”)



FINALISATION ANNOUNCEMENT IN RESPECT OF THE CAPITAL PAYMENT

1. INTRODUCTION

On Monday, 18 February 2019, Astoria issued a circular to its shareholders (the “**circular**”) relating to the adoption of a new investment policy, a reduction of stated capital and transfer to non-distributable reserves, realisation of assets, a capital payment (the “**capital payment**”) and the termination of the investment management agreement (the “**corporate actions**”).

Shareholders were advised that at the general meeting of shareholders held on Wednesday, 20 March 2019 (the “**general meeting**”) all of the resolutions tabled at the meeting were passed by the requisite majority of Astoria shareholders.

Shareholders are advised that Astoria has successfully realised certain assets in its portfolio of liquid and less liquid assets, which has generated proceeds in the amount of USD71 618 013. These proceeds, combined with existing unencumbered cash of USD37 066 360 within Astoria will be utilised to fund the capital payment to shareholders.

Shareholders who hold Astoria shares on the Mauritian register will receive the capital payment in United States Dollars (“**USD**”) and shareholders who hold their Astoria shares on the South African register will receive the capital payment in South African Rands (“**ZAR**”), converted from USD at an exchange rate of USD1.00:ZAR14.50809. The exchange rate was calculated with reference to the spot rates over the period which funds were converted, being from 8 March 2019 to 29 March 2019.

The board of directors of Astoria (the “**Board**”) has declared a capital payment to shareholders in the amount of USD0.88394 per Astoria share, which equates to ZAR12.82428 per Astoria share.

2. SALIENT DATES AND TIMES

Shareholders are advised to take note of the following salient dates and times in relation to the capital payment:

	2019
Last day to trade cum to receive the capital payment	Tuesday, 23 April
Astoria shares trade <i>ex</i> entitlement to receive the capital payment	Wednesday, 24 April
Record date to receive the capital payment	Friday, 26 April
Capital payment to Astoria shareholders	Monday, 29 April

Notes:

1. The above dates and times are subject to change. Any changes will be released on SENS and the SEM website and, if required, published in the press.
2. Share certificates may not be dematerialised or rematerialised between Wednesday, 24 April 2019 and Friday, 26 April 2019, both days inclusive.
3. Transfers of shares between sub-registers in South Africa and Mauritius may not take place between Tuesday, 2 April 2019 and Friday, 26 April 2019, both days inclusive.

3. ASSETS REALISED

In accordance with the resolutions passed at the general meeting and Astoria's investment policy, the Company has realised the assets set out in the tables below for cash. All monetary values reflected in the tables below are in USD.

3.1. Liquid assets

Asset class	Number of shares realised	Total consideration
Liquid listed assets		
Admiral Group PLC	193 580	5 356 892
Apple Inc	14 989	2 869 677
Blackstone Group LP/The	168 522	5 805 832
Booking Holdings	1 500	2 645 829
British American Tobacco	42 750	1 526 434
Facebook Inc	17 076	2 808 533
Hastings Group	770 500	2 190 870
Home Depot	24 576	4 619 045
Johnson & Johnson	22 600	3 092 154
JPMorgan Chase & Co	39 335	3 955 057
MasterCard Inc	23 525	5 271 447
Nike Inc	29 750	2 477 190
Prudential	113 000	2 374 825
ULTA Beauty	11 350	3 431 081
Unilever PLC	41 238	2 346 572
Walt Disney Co/The	36 738	3 997 492
Wells Fargo & Co	41 900	2 089 529
Alphabet Inc Capital	2 972	3 478 126
Comair	381 372	125 130
Echo Polska Properties	3 661 743	4 913 183
Liquid listed assets total realised		65 374 898
Fixed income		
FSRSJ 6 1/4 04/23/28	1 000 000	1 034 192
BGASJ 6 1/4 04/25/28	1 700 000	1 729 861
Fixed income total realised		2 764 053
Liquid assets total realised		68 138 951

3.2. Less liquid assets

Asset class	Number of shares realised	Total consideration
Less liquid listed assets		
GRIT Real Estate	1 848 000	2 366 441
Less liquid listed assets total realised		2 366 441

Asset class	Total consideration
Private equity	
IPG Brewery Yard Unit Trust	1 112 621
Private equity total realised	1 112 621
Less liquid assets total realised	3 479 062

4. REMAINING ASSETS

In light of the realisation of the assets detailed in paragraph 3 above, the remaining Astoria portfolio consists of the assets detailed in the tables below. All monetary values reflected in the tables below are in USD. All private equity values are at last official valuation plus any drawdowns since quarter end. As the investment management agreement has been terminated, the remaining assets will be managed internally by the Board in accordance with the new investment policy.

4.1. Liquid assets

Asset class	Number of shares	Market value per share (29/03/2019)	Value (29/03/2019)
Liquid listed assets			
Comair	627 115	0.315	197 817
Echo Polska Properties	352 704	1.334	470 419
Liquid listed assets total			668 236
Liquid assets total			668 236

4.2. Less liquid assets

Asset class	Number of shares	Current share price (29/03/2019)	Value (29/03/2019)
Less liquid listed assets			
Kingswood Holdings	28 059 272	0.136	3 805 039
Less liquid listed assets total			3 805 039

Asset class	Undrawn Funds	Commitment (29/03/2019)	Drawdown / Offer (29/03/2019)
Private equity			
Apollo Natural Resources Partners II, L.P.	2 075 208	5 000 000	2 727 771
CS Capital Partners V, L.P.	1 952 119	4 556 300	2 555 227
DSG Consumer Partners II	187 500	750 000	572 375
Star Strategic Assets III	3 810 688	5 053 950	1 285 113
V'Ocean Investments Ltd (Just Buy Live Enterprise Private Limited)	-	-	1 000
Private equity total	8 025 515	15 360 250	7 141 486

Asset class	Value (29/03/2019)
Cash balances	
Working capital	3 587 000
Private equity commitments	
Apollo Natural Resources Partners II, L.P.	2 075 208
CS Capital Partners V, L.P.	1 952 119
DSG Consumer Partners II	187 500
Star Strategic Assets III	3 810 688
Cash & private equity commitments total	11 612 515
Less liquid asset total	23 227 276

5. TAX IMPLICATIONS OF THE CAPITAL PAYMENT

5.1. South Africa

The statements in this section relate only to certain limited aspects of the South African taxation of the capital payment by Astoria. Shareholders should note that the summary is a general guide to the South African tax regime currently in place and is not exhaustive. Astoria shareholders are advised to consult their professional advisors regarding the tax consequences of the capital payment. This section does not constitute advice and applies only to South African tax resident shareholders who are the beneficial owners of the shares and relevant distributions and applies only in relation to shares that are listed on the JSE.

In respect of South African tax resident shareholders (“**resident shareholders**”), as the capital payment is being paid from non-distributable reserves, it is treated for Mauritian income tax purposes as a distribution or similar payment (other than an amount that constitutes a dividend or similar payment) and will as such constitute a “*foreign return of capital*” as defined in section 1 of the South African Income Tax Act., No. 58 of 1962 (the “**SA Income Tax Act**”).

In terms of paragraph 76B of the Eighth Schedule to the SA Income Tax Act such shareholders will be required to reduce the base cost of their Astoria shares with the amount of the foreign return of capital (being USD0.88394 per Astoria share). If the amount of the foreign return of capital exceeds the base cost of the Astoria shares in the hands of the resident shareholder, the excess will constitute a capital gain in the hands of the shareholder and the shareholder must account for capital gains tax on such capital gain, unless the shareholder can rely on a capital gains tax exemption. In terms of paragraph 64B(4) of the Eighth Schedule to the SA Income Tax Act, a shareholder that holds at least 10% of the shares and voting rights in Astoria (whether alone or together with any other person forming part of the same group of companies as the shareholder) must disregard any capital gain in respect of the foreign return of capital – such a shareholder is accordingly effectively exempt from capital gains tax in respect of the foreign return of capital.

A foreign return of capital is not subject to dividends tax.

Non-South African tax resident shareholders should only be subject to South African tax in respect of the capital payment if they have a permanent establishment in South Africa in which case they should seek professional advice.

5.2. Mauritius

The statements in this section relate only to certain limited aspects of the Mauritian taxation of the capital payment by Astoria. Shareholders should note that the summary is a general guide to the Mauritian tax regime currently in place and is not exhaustive. This section does not constitute advice and as such Astoria shareholders are advised to consult their professional advisors regarding the tax consequences of the capital payment. The tax commentary below is equally applicable to Mauritian resident and non-resident shareholders of Astoria.

Dividends paid by a company resident in Mauritius, such as Astoria, are generally exempt from income tax

and are also not subject to Mauritian withholding tax.

There is also no capital gains tax in Mauritius and as such a capital repayment should not attract Mauritian tax.

6. NET ASSET VALUE

Shareholders are advised that Astoria will provide an update regarding the net asset value per Astoria share and its capital allocation in due course, so as to account for the impact of the realisation of assets and the capital payment accordingly.

7. LITIGATION

Pursuant to all the resolutions being passed at the general meeting and in accordance with its undertaking in the circular, the Board can confirm that all legal proceedings in relation to the intended conditional voluntary offer by Livingstone Investments Proprietary Limited (“**Livingstone**”), a wholly owned subsidiary of RECM and Calibre Limited, to the shareholders of Astoria have been withdrawn and Livingstone has formally withdrawn the intended voluntary offer with the Financial Services Commission of Mauritius.

8. CONDITIONS PRECEDENT

Shareholders are advised that all conditions precedent, as detailed in the circular, have been fulfilled and therefore the corporate actions may be validly implemented in accordance with their terms.

The financial information in this announcement has not been reviewed or audited by the company's auditors.

Astoria has primary listings on the Stock Exchange of Mauritius and the Alternative Exchange of the JSE, and a secondary listing on the main board of the Namibian Stock Exchange.

This communique is issued pursuant to SEM Listing Rule 11.3 and Rule 5(1) of the Securities (Disclosure Obligations of Reporting Issuers) Rules 2007. The board of directors of Astoria accepts full responsibility for the accuracy of the information contained in this announcement.

2 April 2019

**JSE designated advisor and joint
corporate advisor**

JAVACAPITAL

**Joint corporate advisor and
company secretary**

OSIRIS
INTERNATIONAL GROUP

NSX sponsor

NEB
NAMIBIA EQUITY BROKERS