

ANCHOR GROUP LIMITED

(Incorporated in the Republic of South Africa)
(Registration number 2009/005413/06)
Share code: ACG ISIN: ZAE000193389
("Anchor")



SALE OF CONTROLLING INTEREST IN ANCHOR STOCKBROKERS

Anchor Group's stockbroking business partners with SA property mogul to create majority black-owned boutique research and brokerage house

- **Consortium to acquire 51% shareholding in Anchor Stockbrokers**
- **Anchor Stockbrokers will retain autonomy and flexibility**
- **Transaction will enhance research and insights solutions to clients across the spectrum but with a strong property focus**
- **Anchor Stockbrokers and investment consortium to leverage extensive network, track record and independent thinking within real estate and related sectors**
- **Anchor Stockbrokers to become a 51% black-owned Level II B-BBEE contributor**

JSE AltX-listed financial services holding company Anchor today announced the disposal of a controlling interest in its wholly owned subsidiary, Anchor Stockbrokers Proprietary Limited to a consortium led by property entrepreneur Dr Sisa Ngebulana.

Upon completion of conditions precedent typically associated with transactions of this nature, Anchor Stockbrokers will become a Level II B-BBEE contributor.

Anchor CEO and founder Peter Armitage commented:

"We are excited about the new partnership and this forms part of our ongoing initiatives to transform our business."

Craig Smith, Head of Research and Property at Anchor Stockbrokers said:

"Anchor Stockbrokers may be a relative newcomer, but as a full service brokerage house with a niche focus on real estate research, we believe our insights and unique offering continues to gain traction with investors."

Brett Adams, Chief Executive of Anchor Stockbrokers commented:

"This transaction forms an important part of our strategy to provide a wider range of institutional investors with access to an independent majority black-owned equities research and brokerage firm differentiated by its unique approach and focus."

In terms of the agreement, Dr Sisa Ngebulana will become the non-executive chairman of Anchor Stockbrokers. Dr Ngebulana has some 25 years of experience in the property sector and is the founder of Rebosis Limited, the first black-owned real estate investment trust to list on the main board of the JSE. He is also the founder of Billion Group, an award-winning property development and investment company driven by entrepreneurial expertise.

Dr Ngebulana commented:

"Given regulatory changes, corporate governance demands and intensifying competition, it is increasingly important that research houses remain autonomous and flexible to provide clients with objective insights and analysis."

"The transaction will enable a boutique house such as Anchor Stockbrokers to leverage its track record and independent thinking, especially within real estate and related sectors."

The transaction is subject to customary regulatory approvals and is effective 1 June 2018.

This transaction is not categorisable per the JSE Listings Requirements.

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About Anchor Stockbrokers

Anchor Stockbrokers is a South African stockbroker registered as a member of the Johannesburg Stock Exchange. We are a niche focused stockbroker providing equity brokerage services and research on the listed property sector in South Africa to Institutional, Corporate and Private Clients.

Our aim is to become a market leading niche focused South African stockbroker which provides our clients with unparalleled market intelligence and insights into the property sector.

About Anchor Group

The Anchor Group is a financial services holding company with investments in a number of financial services companies. Anchor began managing assets in 2012 and has grown rapidly to reach group -wide assets under management and advice at 31 December 2017 of R52.3 billion, up by 14 % from R45.9 billion on 31 December 2016. Anchor has three primary divisions – Private Clients, Asset Management and Stockbroking. The long-term strategy of Anchor is to become a major player in South African asset management, with an increasing focus on offshore investment. This will be achieved by both organic and acquisitive growth.

10 July 2018

Designated advisor

The logo for Java Capital, featuring the word "JAVA" in a stylized font with a blue underline, followed by "CAPITAL" in a simpler, grey font.