

## **RAVEN PROPERTY GROUP LIMITED**

Incorporated in Guernsey

Company number 43371

LSE share code: RAV; JSE share code: RAV

ISIN:GB00B0D5V538

("Raven Property Group" or the "Company")

### **PRE-LISTING ANNOUNCEMENT IN RESPECT OF THE SECONDARY LISTING OF THE ORDINARY SHARES OF RAVEN PROPERTY GROUP ON THE MAIN BOARD OF THE JSE LIMITED**

#### **1 INTRODUCTION**

The strategy of the Company is to acquire and maintain its core investment portfolio of grade A logistics warehouses in Russia with the aim of producing rental income that delivers progressive distributions to its ordinary shareholders. The Company operates out of offices in Guernsey, Cyprus and Moscow and has an investment portfolio of circa 1.8 million square metres of grade "A" warehouses in Moscow, St Petersburg, Rostov-on-Don and Novosibirsk and 49,000 square metres of commercial office space in St Petersburg. While the Company focuses on the logistics market, it does consider alternative asset class acquisitions if the property and financial metrics are attractive.

The Company's ordinary shares of 1 pence each ("**Ordinary Shares**") are admitted to the premium segment of the official list of the UK Listing Authority and to trading on the main market of the London Stock Exchange ("**LSE**"). The Ordinary Shares are also admitted to the official list of The International Stock Exchange Authority Limited ("**TISEAL**").

The Company's preference shares and warrants are admitted to the standard segment of the official list of the UK Listing Authority and to trading on the main market of the LSE and admitted to the official list of TISEAL.

The Company's convertible preference shares are admitted to the official list of TISEAL and to trading on the SETSqx market of the LSE.

As at the date of this announcement, the current market capitalisation of the Company's ordinary shares capital is approximately £252.0 million (approximately R4.79bn<sup>1</sup>).

The LSE is an "accredited exchange" as defined in paragraph 18.42 of the Listing Requirements of the exchange operated by the JSE Limited ("**JSE**") (the "**JSE Listing Requirements**").

The Company is also seeking an admission of its Ordinary Shares to trading on the Moscow Stock Exchange by way of a secondary inward listing and will provide an update to the market regarding progress in due course.

The JSE has granted approval to the Company for a secondary inward listing by way of introduction under the fast-track listing process contemplated in Section 18 of the JSE Listing Requirements, of all of its 637,136,617 Ordinary Shares on the Main Board of the JSE in the "Real Estate Investment and Services" sector, under the abbreviated name "RAVEN", JSE share code "RAV" and ISIN "GB00B0D5V538", with effect from the commencement of trade on Monday, 10 September 2018 (the "**Listing Date**") (the "**Secondary Listing**").

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<sup>1</sup> Based on an exchange rate of GBPZAR19.05.

The Financial Surveillance Department of the South African Reserve Bank (“SARB”) has approved the Secondary Listing and classified the secondary inward listed Ordinary Shares as “domestic” for exchange control purposes. Accordingly, South African resident shareholders must hold their Ordinary Shares on the JSE register subsequent to the Secondary Listing and may trade the Ordinary Shares on the JSE without having recourse to their foreign portfolio allowance.

## 2 OVERVIEW OF THE COMPANY

The Company was incorporated on 4 July 2005 in Guernsey and is operating under the Companies (Guernsey) Law 2008 (as amended).

The Company’s Ordinary Shares were admitted to trading on the LSE on 2 August 2010.

The Company is domiciled in Guernsey with its registered address office at La Vieille Cour, La Plaiderie, St. Peter Port, Guernsey, GY1 6EH. The Company is not registered as an external company in South Africa. The Company has appointed Link Market Services South Africa (Pty) Ltd as its transfer secretaries in South Africa with its registered address and primary place of business at 13th Floor, 19 Ameshoff Street, Braamfontein, 2001, South Africa. The Company’s registrar in Guernsey is Link Market Services (Guernsey) Limited with its registered address and primary place of business at Mont Crevelt House, Bulwer Avenue, St. Sampson, Guernsey GY2 4LH, Channel Islands.

## 3 RATIONALE FOR THE COMPANY’S SECONDARY LISTING

The Company is seeking the Secondary Listing in order to provide South African investors, both institutional and private, with an opportunity to participate over the long term in the future income and capital performance of the Company. This will in turn improve the depth and spread of the shareholder base of the Company, thereby improving liquidity and tradability of the Ordinary Shares. In addition, it will provide the Company with an additional platform to raise equity funding to pursue growth and investment opportunities in the future.

## 4 PROSPECTS OF RAVEN PROPERTY GROUP FOLLOWING THE SECONDARY LISTING

The strategic priorities for the Company, which will drive its future prospects, are to continue to run its property investment portfolio with the objective of delivering progressive distributions to shareholders over the long term. Where appropriate opportunities arise, the Company will look to expand its investment portfolio through both development and acquisitions. The Company remains focussed on the logistics market but will consider alternative asset class acquisitions if the property and financial metrics are attractive.

## 5 SHARE CAPITAL

The issued share capital of the Company as at the date of the announcement is as follows:

Class of shares	Number of shares
Ordinary Shares	637,136,617
Preference shares	99,333,034
Convertible preference shares	198,189,014
Warrants	3,072,397

The Ordinary Shares carry full voting rights and rank after the convertible preference shares and the preference shares in terms of dividends and on a return of capital on a winding up or an administration order.

The Company does not hold any Ordinary Shares in treasury.

The Company operates a progressive dividend policy. The Company does not intend to pay dividends to the holders of Ordinary Shares, instead distributions in respect of the Ordinary Shares are effected by tender offer buy backs semi-annually.

The articles of incorporation of the Company (the "**Articles**") do not contain any restrictions on the transfer of the Ordinary Shares other than those set out below.

The Articles provide that the board of the Company ("**Board**") may, in its absolute discretion and without giving a reason, refuse to register a transfer of any share in certificated form or (to the extent permitted by the CREST regulations) uncertificated form which is not fully paid or on which the Company has a lien or if: (i) it is in respect of more than one class of shares; (ii) it is in favour of more than four joint transferees; (iii) in the case of certificated shares, where the transfer is not accompanied by the relevant share certificate or such other evidence as the Board may reasonably require to prove title of the transferor and the due execution by him of the transfer, provided that in the case of a share which is listed on a stock exchange, such refusal to register a transfer would not prevent dealings in the share from taking place on an open and proper basis on the relevant stock exchange.

In addition, the Board may impose certain sanctions where a shareholder fails to comply with the Company's written request to disclose the identity of the underlying beneficial owners of shares in the capital of the Company and the nature of such beneficial owners' interests. The sanctions may include the withdrawal of voting rights, the withholding of dividends and the invalidation of any transfer of the shares in respect of which the disclosure has not been made.

Further details of the rights and restrictions attaching to each class of shares of the Company and the warrants are set out in the Articles and the warrant instrument pertaining to the warrants which can be found on the Company's website <http://www.theravenpropertygroup.com>.

## 6 SETTLEMENT IN SOUTH AFRICA

Ordinary Shares will be traded on the JSE in electronic form only (as dematerialised shares) and will be trading for electronic clearing and settlement, via Strate Limited ("**Strate**"), immediately following the Secondary Listing. Strate is a system of "paperless" transfer of securities used by the JSE to settle trades. All investors owning dematerialised Ordinary Shares or wishing to trade their Ordinary Shares on the JSE are required to appoint either a broker or a Central Securities Depository Participant ("**CSDP**") in South Africa to act on their behalf and to handle their settlement requirements. If you have any doubt as to the mechanics of Strate, please consult your broker, CSDP or other appropriate adviser. You are also referred to the Strate website ([www.strate.co.za](http://www.strate.co.za)) for more detailed information.

## 7 FINANCIAL INFORMATION

The financial year end of the Company is 31 December of each year.

The basic earnings, diluted earnings and headline earnings (as defined in terms of the South African Institute of Chartered Accountants Circular 2/2013) per Ordinary Share for the six months ended 30 June 2018, the twelve months ended 31 December 2017 and the twelve months ended 31 December 2016 are as follows:

	Unaudited Six months ended 30 June 2018		Audited Year ended 31 December 2017		Audited Year ended 31 December 2016	
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Earnings</b>						
<b>Net (loss) / profit for the period / year prepared under IFRS</b>		<b>(41,124)</b>		<b>57,686</b>		<b>7,719</b>
<i>Adjustments to arrive at Headline earnings:</i>						
Impairment of goodwill	-		2,061		-	
Unrealised (profit) / loss on revaluation of investment property	35,055		(42,320)		40,192	
Profit on disposal of investment property under construction	-		-		(3,807)	
Unrealised (profit) / loss on revaluation of investment property under construction	(606)		4,168		3,132	
Movement on deferred tax thereon	(3,769)		10,508		(4,268)	
		30,680		(25,583)		35,249
<b>Headline earnings</b>		<b>(10,444)</b>		<b>32,103</b>		<b>42,968</b>

	Unaudited Six months ended 30 June 2018			Audited Year ended 31 December 2017			Audited Year ended 31 December 2016		
	Earnings	Weighted average shares	EPS	Earnings	Weighted average shares	EPS	Earnings	Weighted average shares	EPS
	\$'000	No.'000	Cents	\$'000	No.'000	Cents	\$'000	No.'000	Cents
<b><u>IFRS earnings per share</u></b>									
<b>Basic</b>	<b>(41,124)</b>	<b>653,093</b>	<b>(6.30)</b>	<b>57,686</b>	<b>663,493</b>	<b>8.69</b>	<b>7,719</b>	<b>657,468</b>	<b>1.17</b>
<i>Effect of dilutive potential ordinary shares:</i>									
Warrants	-	-		-	7,669		-	7,651	
LTIP	-	-		-	1,382		-	1,294	
2016 Retention Scheme	-	-		-	2,513		-	1,009	
CBLTIS 2015	-	-		-	-		-	275	
ERS	-	-		-	-		-	21	
Convertible preference shares	-	-		20,058	261,369		-	-	
<b>Diluted</b>	<b>(41,124)</b>	<b>653,093</b>	<b>(6.30)</b>	<b>77,744</b>	<b>936,426</b>	<b>8.30</b>	<b>7,719</b>	<b>667,718</b>	<b>1.16</b>

	Unaudited Six months ended 30 June 2018			Audited Year ended 31 December 2017			Audited Year ended 31 December 2016		
	Earnings	Weighted average shares	EPS	Earnings	Weighted average shares	EPS	Earnings	Weighted average shares	EPS
	\$'000	No.'000	Cents	\$'000	No.'000	Cents	\$'000	No.'000	Cents
<b><u>Headline earnings per share</u></b>									
<b>Basic</b>	<b>(10,444)</b>	<b>653,093</b>	<b>(1.60)</b>	<b>32,103</b>	<b>663,493</b>	<b>4.84</b>	<b>42,968</b>	<b>657,468</b>	<b>6.54</b>
<i>Effect of dilutive potential ordinary shares:</i>									
Warrants	-	-		-	7,669		-	7,651	
LTIP	-	-		-	1,382		-	1,294	
2016 Retention Scheme	-	-		-	2,513		-	1,009	
CBLTIS 2015	-	-		-	-		-	275	
ERS	-	-		-	-		-	21	
Convertible preference shares	-	-		-	-		-	-	
<b>Diluted</b>	<b>(10,444)</b>	<b>653,093</b>	<b>(1.60)</b>	<b>32,103</b>	<b>675,057</b>	<b>4.76</b>	<b>42,968</b>	<b>667,718</b>	<b>6.44</b>

The historical financial information of the Company is available on the Company's website <http://www.theravenpropertygroup.com>.

## 8 SIGNIFICANT CHANGES

No significant changes to the expected financial position or trading position of the Group have occurred since the publication of the Company's audited financial results for the year ended 31 December 2017, save that in the six months to 30 June 2018 the Group recorded a loss for the period of \$41,124,000, including a loss on revaluation of investment property and investment property under construction of \$30,680,000. As a consequence the consolidated net asset value of the Group reduced to \$478,392,000.

## 9 MAJOR SHAREHOLDERS

As at the date of this announcement, the following shareholders were, directly or indirectly, beneficially interested in, or responsible for managing, 5% or more of each class of the Company's issued share capital:

### Ordinary Shares

Name	Number of shares	%
Invesco Asset Management Limited (as agent acting for and on behalf of its discretionary managed clients)	204,155,347	32.04
Woodford Investment Management LLP (as agent acting for and on behalf of certain underlying funds)	83,069,632	13.04
JO Hambro Capital Management Limited (as agent acting for and on behalf of certain underlying funds)	69,375,500	10.89
Schroder Investment Management Limited (as agent acting for and on behalf of certain underlying funds)	56,388,127	8.85
Quilter Investment Management Limited (as agent acting for and on behalf of certain underlying funds)	32,109,831	5.04

### Preference shares

Name	Number of shares	%
Invesco Asset Management Limited (as agent acting for and on behalf of its discretionary managed clients)	41,803,518	42.1
Woodford Investment Management LLP (as agent acting for and on behalf of certain underlying funds)	8,196,481	8.3
Hargreaves Lansdown Asset Management Limited (as agent acting for and on behalf of its clients)	5,095,083	5.1

## Convertible preference shares

Name	Number of shares	%
Woodford Investment Management LLP (as agent acting for and on behalf of certain of its clients)	87,719,298	44.3
Old Mutual Global Investors (UK) Limited (as agent acting for and on behalf of certain underlying funds)	46,048,941	23.2
Invesco Asset Management Limited (as agent acting for and on behalf of its discretionary managed clients)	42,118,860	21.3

## Warrants

Name	Number of shares	%
M&G Investment Management Limited (as agent acting for and on behalf of certain underlying funds)	428,783	14
Hargreaves Lansdown Asset Management Limited (as agent acting for and on behalf of its clients)	272,883	8.9
Master and Fellows of Peterhouse Cambridge	253,072	8.2
UBS Wealth Management Limited (as agent acting for and on behalf of its clients)	161,703	5.3

## 10 BOARD OF DIRECTORS

The table below sets out information to the current board of directors of the Company.

<b>Name</b>	<b>Richard Wilson Jewson, 74</b>
<b>Position</b>	<i>Non-executive chairman</i>
<b>Experience</b>	Richard joined Jewson Limited, the timber and building merchant, in 1965 becoming the Managing Director, then Chairman of its holding group, Meyer International plc, from which he retired in 1993. Since then he has served as Non Executive Director and Chairman of a number of public companies. He retired in 2004 after 10 years as Chairman of Savills plc and in 2005, after 14 years as a Non-Executive Director and Deputy Chairman of Anglian Water plc. He is currently Chairman of Tritax Big Box REIT Plc, and a Non-Executive Director of Temple Bar Investment Trust plc.
	He is Chairman of the Nominations Committee and a member of the Remuneration Committee.
<b>Name</b>	<b>Anton John Godfrey Bilton, 54</b>
<b>Position</b>	<i>Executive Deputy Chairman</i>
<b>Experience</b>	Anton is an economics graduate from The City University in London. Anton was the founder of the Raven Group. He has also been a founder and director of three other companies that have floated on AIM. Anton is non-executive Chairman of Sabina Estates Ltd.
	He is a member of the Nominations Committee.

**Name** **Glyn Vincent Hirsch, 57**  
**Position** *Chief Executive Officer*

**Experience** Glyn qualified as a Chartered Accountant with Peat, Marwick Mitchell & Co in 1985. Until 1995, he worked in the corporate finance department of UBS AG (formerly Phillips & Drew) latterly as an Executive Director specialising in UK smaller companies. From 1995 until 2001, he was Chief Executive of CLS Holdings plc, the listed property investment company and is a former Director of Citadel Holdings plc, the specialist French property investor and former Chairman of Property Fund Management plc, the listed property fund management business. Glyn is a non-executive director of Sabina Estates Ltd.

**Name** **Mark Sinclair, 52**  
**Position** *Chief Financial Officer*

**Experience** Mark is a chartered accountant, and spent 18 years at BDO Stoy Hayward, a leading professional services firm in the UK. He was a partner in the London real estate group, responsible for a portfolio of large property companies, both listed and private. In 2006 he joined as Finance Director of Raven Russia Property Management Ltd, the former Property Adviser to the Company and joined the Board of the Company in 2009.

**Name** **Colin Andrew Smith, 48**  
**Position** *Chief Operating Officer*

**Experience** Colin qualified as a Chartered Accountant with BDO Stoy Hayward. Prior to joining the Company, he was a Director in the audit and assurance division of the chartered accountant practice of BDO in Guernsey, having joined it in 1994. Colin has also been a Non-Executive director of a number of offshore investment funds and companies.

**Name** **Christopher Wade Sherwell, 70**  
**Position** *Senior Independent Non-Executive Director*

**Experience** Christopher Sherwell is a former Managing Director of Schroders in the Channel Islands. Before joining Schroders, he was Far East Regional Strategist in London and Hong Kong for Smith New Court Securities and prior to that spent 15 years as a journalist, much of them as a foreign correspondent for the Financial Times. He has considerable public company experience and acts as a Non-Executive Director on a number of publicly listed investment companies including Baker Steel Resources Trust Ltd and NB Distressed Debt Investment Fund Limited.

He is Chairman of the Remuneration Committee and a member of the Audit and Nominations Committees.

**Name** **Stephen Charles Coe, 52**  
**Position** *Non-Executive Director*

**Experience** Stephen Coe BSc, FCA is self-employed providing Executive and Non-Executive services to public and private clients. His current public directorships include European Real Estate Investment Trust Ltd where he acts as Chairman and Weiss Korea Opportunity Fund Limited, Leaf Clean Energy Company and Trinity Capital Ltd where he acts as a Non-Executive Director and Chairman of the Audit Committees. Private clients include investment funds and a captive insurer. From 2003 to 2006, he was Managing Director of Investec Trust (Guernsey) Ltd and Investec Administration Services Ltd, responsible for private client and institutional structures. Between 1997 and 2003 he was a Director of Bachmann Trust Company Ltd and previously he worked with Price Waterhouse specialising in financial services.

He is Chairman of the Audit Committee and a member of the Remuneration Committee.

**Name** **David Christopher Moore, 57**  
**Position** *Non-Executive Director*

**Experience** David Moore is an advocate of the Royal Court of Guernsey and is currently a consultant



with Collas Crill in Guernsey. He is a former partner of Guernsey law firm Mourant Ozannes, where he had practised since 1993 and before that spent 10 years practising in the City of London, predominantly with Ashurst Morris Crisp. He specialises in corporate and financial matters and is a Non-Executive Director of a number of investment, insurance and finance sector-related companies.

He is a member of the Audit and Remuneration Committees.

## 11 DIRECTORS' STATEMENTS

The directors of the Company confirm that, to the best of their knowledge and belief, the Company has adhered to all legal and regulatory requirements of the LSE.

The directors of the Company have no reason to believe that the working capital available to the Company or the Group will be insufficient for at least 12 months from the Listing Date.

## 12 FURTHER INFORMATION

All documents and announcements which the Company has made public over the last two years, including financial information, annual reports and regulatory announcements, as well as the Articles, are available for download on the Company's website at <http://www.theravenpropertygroup.com/investors>.

This announcement is not an invitation to the public to subscribe for or purchase shares, but is issued in compliance with the JSE Listing Requirements relating to the Secondary Listing of the Company on the Main Board of the JSE.

## 13 SALIENT DATES AND TIMES

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<b>2018</b>	
Publish pre-listing announcement on the Stock Exchange News Service of the JSE ("SENS")	Monday, 3 September
Listing and commencement of trading of Raven Property Group's Ordinary Shares on the Main Board of the JSE from the commencement of trade (09:00) on	Monday, 10 September

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The above dates are subject to change. Any change will be released on SENS.

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3 September 2018

### **Corporate advisor and sponsor**

Rencap Securities Proprietary Limited

### **Advisor as to South African law**

Werksmans Inc.

## **Enquiries**

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## DISCLAIMER

This pre-listing announcement does not constitute an offer to the public for the sale of or subscription for, or the solicitation of an offer to buy and/or subscribe for, shares as defined in the South African Companies Act, No. 71 of 2008 (as amended) (the “**Companies Act**”), or otherwise and will not be distributed to any person in South Africa in any manner which could be construed as an offer to the public in terms of the Companies Act. This pre-listing announcement does not constitute a prospectus registered and/or issued in terms of the Companies Act.

This pre-listing announcement includes statements about Raven Property Group that are, or may be deemed to be, forward-looking statements. All statements other than statements of historical fact are, or may be deemed to be, forward-looking statements. These forward-looking statements are not based on historical facts, but rather reflect current expectations concerning future results and events and generally may be identified by the use of forward-looking words such as “targets”, “believe”, “aim”, “expect”, “project”, “anticipate”, “intend”, “foresee”, “forecast”, “likely”, “should”, “planned”, “may”, “will”, “estimated”, “potential” or similar words and phrases.

Examples of forward-looking statements include statements regarding a future financial position or future profits, cash flows, corporate strategy, estimates of capital expenditures, acquisition strategy, or future capital expenditure levels, and other economic factors, such as, amongst other things, interest and exchange rates and public sector spend and resource allocation.

By their nature, forward-looking statements involve known and unknown uncertainties, assumptions and other important factors, because they relate to events and depend on circumstances that may or may not occur in the future, whether or not outside of the control of Raven Property Group. Such factors may cause Raven Property Group’s actual results, financial and operating conditions, liquidity and the developments within the industry in which Raven Property Group intends to operate to differ materially from those made in, or suggested by, the forward-looking statements contained in this pre-listing announcement. Raven Property Group cautions that forward-looking statements are not guarantees of future performance.

All these forward-looking statements are based on estimates and assumptions made by Raven Property Group, all of which estimates and assumptions, although Raven Property Group believes them to be reasonable, are inherently uncertain. Accordingly, no assurance can be given that any such forward-looking statements will prove to have been correct. Any forward-looking statement made in this pre-listing announcement or elsewhere is applicable only at the date on which such forward-looking statement is made. New factors that could cause the business of Raven Property Group not to develop as expected may emerge from time to time and it is not possible to predict all of them. Further, the extent to which any factor or combination of factors may cause actual results to differ materially from those contained in any forward-looking statement is not known. Raven Property Group has no duty to, and does not intend to, update or revise the forward-looking statements contained in this pre-listing announcement after the date of this pre-listing announcement, except as may be required by law or regulation.