

SANTOVA LIMITED
(Registration Number: 1998/018118/06)
("Santova")
Share Code: SNV
ISIN: ZAE000159711

ACQUISITION OF THE REMAINING 25% MINORITY INTEREST IN SANTOVA LOGISTICS (AUSTRALIA)

INTRODUCTION

The Board of Santova is pleased to announce that Santova International Holdings (Pty) Limited, a wholly owned subsidiary of Santova, has acquired the remaining 25% minority interest in Santova Logistics Pty Ltd, Australia ("Santova Australia"). Santova Australia, which is based in Sydney, was founded in 1998 and specialises in customs brokerage, trade facilitation and international freight forwarding. Santova acquired the 75% majority interest in Santova Australia from the original founder of the business in March 2009, with the 25% minority interest being acquired at the time by Patent International Co. Limited, the Group's Agent in China.

RATIONALE

Santova Australia has over the recent financial years established itself as a niche logistics provider in a number of local industry sectors and as a result, has seen steady growth in profitability. The acquisition of the remaining 25% minority interest in Santova Australia facilitates the further expansion and development of the Group's presence in the region.

CONSIDERATION

The total purchase consideration for the remaining 25% minority interest in Santova Australia is AU\$1.1 million payable in cash upon the fulfillment of certain conditions precedent. The payment will be funded from the Group's internal cash resources.

The acquisition is expected to have an immediate positive impact on the Group's results in the current financial period through a significant reduction in profit attributable to non-controlling interest.

CATEGORISATION

Due to the fact that the above purchase consideration is less than 5% of the Company's market capitalisation, it is thus neither a category 1 nor a category 2 transaction as defined in terms of the JSE Listings Requirements. However, the Board of Santova considers it prudent to inform shareholders of this acquisition and thus has issued this voluntary announcement.

27 September 2017
Durban
Sponsor and Corporate Advisor
River Group