
DISPOSAL OF PRIMARK STORE AT COOPER'S SQUARE SHOPPING CENTRE

INTRODUCTION AND RATIONALE

Shareholders are advised that contracts have been conditionally exchanged between Burton Shopping Centre Limited ("BSCL"), a wholly-owned subsidiary of New Frontier and Burton Corporate Limited (the "**purchaser**") for the freehold sale of the Primark unit located in the Cooper Square Shopping Centre, Burton upon Trent (the "**property**") to the purchaser for a consideration of £6,700,000 (the "**transaction**").

The purchase consideration for the property will be paid in cash, with the proceeds of the transaction being used to reduce outstanding bank debt. This is in line with New Frontier's strategy to dispose of property to comply with the terms of the Group's loan facility which requires a £5,600,000 repayment by 30 July 2020.

TERMS OF THE TRANSACTION

The transaction will be concluded by a way of a transfer of the freehold title and is conditional upon the approval of New Frontier shareholders in a general meeting (the "**condition**"), which meeting will take place in due course. A circular in this regard is being prepared and will be distributed to shareholders subsequent to the requisite regulatory approvals being received.

The purchaser may terminate this agreement if the condition has not been satisfied by 31 July 2020.

The transaction includes warranties, undertakings and indemnities which are normal for a transaction of this nature.

FINANCIAL AND PROPERTY SPECIFIC INFORMATION

Details of the property are set out in the table below:

Property and geographical location	22-26 St Modwens Walk, Coopers Square Shopping Centre Burton upon Trent, DE14 1HL
Sector	Retail
Rent per annum (£)	318,750
GLA (sq ft)	38,245
Weighted Average rental per sq ft (£)	8.33

Notes:

1. The property was valued as part of the Coopers Square Shopping Centre at 31 August 2019, by Colliers International Valuation UK LLP, who are independent professional valuers and a member of the Royal Institution of Chartered Surveyors. A sum of the parts valuation was not undertaken, but advice has been received from the valuers that the apportioned valuation for the Primark unit was £6m at that date.

The rent receivable by BSCL under the Primark lease is £318,750 and there is an unexpired term of 76 years. There is an under recovery of service charges against this property of £4,697 per annum which will continue after the sale. Based on the audited consolidated results for the year ended 31 August 2019, which were prepared in terms of IFRS, the profit after tax attributable to the property was £251,242 for the full financial year. Based on the unaudited consolidated results for the three months ended 30 November 2019, which were prepared in terms of IFRS, the profit after tax attributable to the property was £62,810 for the three month period.

CATEGORISATION OF THE TRANSACTION

The transaction constitutes an undertaking in the ordinary course of business of New Frontier and therefore does not fall under the scope of Chapter 13 of the SEM Listing Rules.

The transaction is a Category 1 transaction in terms of the JSE Listings Requirements and, accordingly, requires shareholder approval. Details of the disposal, together with, inter alia, the pro forma financial effects of the disposal and the summary valuation report on the property will be included in the circular in this regard. The salient dates and times relating to the disposal will be released on SENS and published in the press at the time of the posting of the circular.

New Frontier holds primary listings on the SEM and the Alternative Exchange of the JSE.

By order of the Board

19 February 2020

This notice is issued pursuant to SEM Listing Rule 11.3. The Board of New Frontier Properties Ltd accepts full responsibility for the accuracy of the information in this notice

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