

## NOVUS HOLDINGS LIMITED

(Incorporated in the Republic of South Africa)

(Registration number: 2008/011165/06)

JSE share code: NVS

ISIN: ZAE000202149

("Novus Holdings" or "the Company" or "the Group")



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## CATEGORY 2 DISPOSAL ANNOUNCEMENT

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### 1. INTRODUCTION

Shareholders are advised that on 17 March 2026, the Company, through its wholly-owned subsidiary Novus Print Proprietary Limited ("**Novus Print**" or "**Seller**"), entered into a sale agreement ("**Agreement**") with Firm Favourite Investments 10 Proprietary Limited ("**Purchaser**"), in terms of which the Seller will dispose of the Novus Print "Letting Enterprise" as described below ("**Letting Enterprise**") to the Purchaser for a disposal consideration of R91,7 million which is inclusive of VAT at the rate of 0% ("**Disposal Consideration**") ("**Disposal**").

The Purchaser is held by Map Clothing Manufacturers Proprietary Limited, the holding company of the Purchaser. The ultimate beneficial owners of the Purchaser are third parties who are not related parties of the Company. The Purchaser did not consent to the disclosure of the names of its beneficial owners in this announcement.

### 2. SUBJECT OF THE DISPOSAL

The Letting Enterprise comprises:

- the immovable properties, being Erf 97 and Erf 98 Phoenix Industrial Park, Registration Division FT, Province of KwaZulu Natal ("**Properties**"); and
- the lease agreement entered into between Novus Print (as lessor) and Mthembu Paper Mill Proprietary Limited ("**Mthembu Paper Mill**") (as lessee) in respect of the Properties ("**Lease Agreement**"), which commenced on 10 December 2020, and continues for a period of 120 months, and in terms of which a rental amount of R600 000 per month, exclusive of VAT, is to be paid from the second anniversary of the commencement date, with an annual increase equal to 7% for each subsequent anniversary, being payable by Mthembu Paper Mill to Novus Print.

### 3. RATIONALE FOR THE DISPOSAL

The property in which Mthembu Paper Mill operates is currently held as an investment property in Novus Print with a carrying value of R58,7 million and generates rental income of R7,3 million per annum. Effective October 2021, the Group sold 51% of its interest in its tissue business, Correll Tissue, to Mthembu Paper Mill, after a strategic decision was made to exit the Correll Tissue business. Novus is currently involved as an active shareholder in Mthembu Paper Mill and continues to provide strategic input to its associate holding. The associate holding and investment property holding are however managed separately and the investment property is not considered core to the strategy of the Group.

The Disposal therefore forms part of the Group's strategy to optimise its portfolio by disposing non-core assets.

#### 4. DISPOSAL CONSIDERATION

The Disposal Consideration of R91,7 million will be payable by the Purchaser to the Seller on the date of registration of transfer of the Properties into the name of the Purchaser ("**Transfer Date**").

The Purchaser shall provide the conveyancing attorneys appointed by the Seller with an irrevocable bank guarantee in respect of the Disposal Consideration within 15 (fifteen) business days of the fulfilment or waiver (to the extent legally permissible) of the Conditions Precedent (defined below).

#### 5. APPLICATION OF THE DISPOSAL CONSIDERATION

The proceeds of the Disposal will be added to existing Group cash resources.

#### 6. CONDITIONS PRECEDENT

The Agreement is subject to the fulfilment or waiver (to the extent legally permissible) of the following outstanding conditions precedent ("**Conditions Precedent**"):

- passing of the Purchaser's board resolution;
- a due diligence investigation has been completed by the Purchaser to its satisfaction; and
- the Purchaser and Mthembu Paper Mill enter into and conclude a lease agreement, in respect of which Mthembu Paper Mill is granted an option to extend the Lease Agreement beyond the current termination and option period.

The Conditions Precedent must be fulfilled by not later than the dates specified in the Agreement, which dates may be extended by the parties in writing.

#### 7. EFFECTIVE DATE OF THE DISPOSAL

The effective date of the Disposal will be the Transfer Date, which is anticipated as being on or about the end of June 2026.

Possession and occupation of the Properties will be given by the Seller to the Purchaser on the Transfer Date. The transfer of the Lease Agreement shall also be effective from the Transfer Date.

#### 8. FINANCIAL INFORMATION

The value of the net assets of the Letting Enterprise was R58,7 million as per the audited annual financial statements for the year ended 31 March 2025, and R57,9 million as per the interim financial statements for the period ended 30 September 2025.

The profit before tax attributable to the Letting Enterprise was R7,3 million for the year ended 31 March 2025, and R3,6 million for the interim period ended 30 September 2025.

The audited annual financial statements for the year ended 31 March 2025 and interim financial statements for the period ended 30 September 2025 were prepared in accordance with International Financial Reporting Standards and the South African Companies Act No 71 of 2008.

## **9. WARRANTIES**

The Agreement contains representations and warranties by the Company in favour of the Purchaser which are standard for a transaction of this nature.

## **10. CLASSIFICATION OF THE DISPOSAL**

The Disposal constitutes a category 2 transaction in terms of the JSE Limited Listings Requirements.

Cape Town  
19 March 2026

Sponsor  
PSG Capital



PSG CAPITAL