



SEARDEL

INVESTMENT CORPORATION LIMITED

SEARDEL INVESTMENT CORPORATION LIMITED
(Incorporated in the Republic of South Africa)
(Registration number 1968/011249/06)

Share code: SER ISIN Code: ZAE000029815
Share code: SRN ISIN Code: ZAE000030144
("Seardel" or "the Company" or "the Group")

DECLARATION AND FINALISATION ANNOUNCEMENT RELATING TO THE
PROPOSED UNBUNDLING BY SEARDEL OF 557 892 317 SHARES IN DENE
B INVESTMENTS LIMITED ("Deneb") TO ITS SHAREHOLDERS

1. Introduction

Shareholders are referred to the SENS announcement of 28 August 2014, wherein shareholders were advised of the intention of Seardel to unbundle its non-media assets, through its interest in Deneb to its shareholders and to list Deneb as a separate entity on the JSE Limited ("Unbundling").

Shareholders are advised that the board of directors of Seardel has resolved to proceed with the Unbundling and to unbundle 557 892 317 shares in Deneb, which equates to 100% of the issued share capital of Deneb ("Deneb Shares") to its ordinary and N-class ordinary shareholders, in terms of section 46 of the Companies Act No 71 of 2008 and section 46 of the Income Tax Act No 58 of 1962 ("Income Tax Act").

2. Rationale for the Unbundling

Seardel has taken a strategic decision to be a focussed media investment company allowing it to concentrate its resources on growing Seardel's media businesses while providing Seardel shareholders direct access to the underlying media investments.

The listing and Unbundling of Deneb will have the following positive outcomes:

- it will provide Seardel shareholders with the flexibility to maintain, increase or decrease their investments in Seardel's media and non-media assets, based on their specific investments preferences;

- it will enable Deneb to develop a shareholder base that has an appetite for the non-media assets of Seardel, being property, branded products and manufacturing assets;
- Deneb management will be allowed to pursue a focused strategy without having to consider the impact on Seardel's media business; and
- the management of Deneb can be appropriately incentivised given the characteristics of its industry.

3. Details of the Unbundling ratio

Seardel will unbundle the Deneb Shares to its ordinary and N-class ordinary shareholders by way of a dividend-in-specie in the ratio of 12.91952 (twelve comma nine one nine five two) Deneb Shares for every 100 shares held in Seardel on Friday, 5 December 2014 ("Unbundling Record Date"), rounded to the nearest whole number.

4. Tax consequences

The summary below represents general comments and is not intended to constitute a complete analysis of the taxation consequences of the unbundling provisions for shareholders in terms of South African taxation law. It is not intended to be, nor should be considered as legal or taxation advice. Seardel, its directors, employees or advisors cannot be held responsible for the taxation consequences of the Unbundling and therefore shareholders are advised to consult their own tax advisors in this regard.

The Unbundling will be implemented in terms of section 46 of the Income Tax Act and will have the following tax consequences for the shareholders of Seardel:

The distribution of the Deneb Shares to ordinary and N-class ordinary shareholders of Seardel in terms of the Unbundling must be disregarded in determining any liability for dividends tax and will qualify for an exemption from Securities Transfer Tax.

Seardel shares held as trading stock:

Any Seardel shareholder holding Seardel shares as trading stock will be deemed to acquire the unbundled Deneb Shares as trading stock. The combined expenditure of such Seardel and Deneb shares will be the amount taken into account by the shareholder in respect of those Seardel shares for the purposes of section 11(a), section 22(1), or section 22(2) of the Income Tax Act. The portion of the above combined expenditure to be allocated to the unbundled Deneb Shares, will be determined by applying the ratio that the market value of the Deneb Shares, as at the end of the day after the Unbundling, being Monday, 1 December 2014, bears to the sum of the market value of Seardel and Deneb shares as at the end of that day. The expenditure allocated to the unbundled Deneb Shares will reduce the expenditure of the Seardel shares held. Seardel will advise shareholders of the specified ratio by way of announcement to be released on SENS once the Unbundling has been finalised.

Seardel shares held as capital assets:

Any Seardel shareholder holding Seardel shares as capital assets will be deemed to acquire the unbundled Deneb Shares as capital assets. The combined expenditure of such Seardel and Deneb shares will be the expenditure incurred in respect of the Seardel shares prior to the Unbundling that is allowable in terms of paragraph 20 of the Eighth Schedule to the Income Tax Act. Market value in relation to Seardel shares acquired before 1 October 2001 means the market value adopted or determined by the shareholder in respect of those shares within the period contemplated in paragraph 29(4) of the Eighth Schedule to the Income Tax Act. The portion of the above combined expenditure and market value to be allocated to the unbundled Deneb Shares will be determined by applying the ratio that the market value of Deneb Shares, as at the end of the day after the Unbundling, being Monday, 1 December 2014, bears to the sum of the market value of Seardel and Deneb shares at the end of that day. The expenditure and market value allocated to the unbundled Deneb Shares will reduce the expenditure and market value of the Seardel shares held. Seardel will advise shareholders of the specified ratio by way of announcement to be released on SENS once the Unbundling has been finalised.

Seardel shareholders will be deemed to have acquired the unbundled Deneb Shares on the date on which the Seardel shares were originally acquired, other than for purposes of determining whether the Deneb shares are qualifying shares as defined in section 9C of the Income Tax Act.

Non-resident Seardel shareholders:

Seardel shareholders who are non-resident for tax purposes in South Africa are advised to consult their own professional tax advisors regarding the tax treatment of the Unbundling in their respective jurisdictions, having regards to the laws in their jurisdiction and any applicable tax treaties between South Africa and their country of residence.

5. Salient Dates and Times

The salient dates and times of the Unbundling are as set out below:

Publication of Unbundling declaration and finalisation announcement on SENS	Friday, 14 November 2014
Pre-listing statement posted to shareholders on	Friday, 21 November 2014
Abridged pre-listing statement published on SENS on	Friday, 21 November 2014
Abridged pre-listing statement published in the press on	Monday, 24 November 2014
Last day to trade for Seardel shareholders to be entitled to participate in the Unbundling	Friday, 28 November 2014
Listing of Deneb Shares under share code "DNB" and ISIN ZAE000197398 on the JSE expected at commencement of trade on	Monday, 1 December 2014
Commencement of trading of Deneb shares	Monday, 1 December 2014
Seardel shares commence trading "ex" their entitlement to Deneb Shares	Monday, 1 December 2014

Record date for the Unbundling	Friday, 5 December 2014
Accounts at CSDPs/brokers updated in respect of dematerialised shareholders on	Monday, 8 December 2014
Share certificates posted to certificated shareholders by registered post on or about	Monday, 8 December 2014

Notes:

These dates are subject to change. Any material change will be released on SENS and published in the press.

6. Posting and availability of Pre-Listing Statement

The Deneb pre-listing statement will be posted to shareholders on Friday, 21 November 2014 and will be available on the Deneb website on www.deneb.co.za and the Seardel website on www.seardel.co.za.

Cape Town
14 November 2014

Transaction Adviser and Sponsor to Deneb
PSG Capital (Proprietary) Limited

Sponsor to Seardel
Investec Bank Limited