

Oasis Crescent Property Fund

A property fund created under the Oasis Crescent Property Trust Scheme registered in terms of the Collective Investment Schemes Control Act (Act 45 of 2002) having REIT status with the JSE

Share code: OAS

ISIN: ZAE000074332

("Oasis" or "the Fund")

FINAL PRELIMINARY AUDITED RESULTS AND DISTRIBUTION DECLARATION

The directors of Oasis Crescent Property Fund Managers Limited ("OCPFM" or "the Manager"), the management company of the Fund, present the preliminary audited results of the Fund for the year ended 31 March 2017 as follows:

Statement of financial position as at 31 March 2017

	Audited 2017 R' 000	Audited 2016 R' 000
Assets		
Non-current assets	1 044 272	1 020 578
Investment properties	571 874	528 609
Property, plant and equipment	435	355
Straight-line lease accrual	13 066	9 763
Available-for-sale financial assets	458 897	481 851
Current assets	159 148	103 296
Trade receivables	4 029	3 089
Other receivables	5 489	4 923
Trade receivables from related parties	-	110
Straight-line lease accrual	810	2 470
Financial assets at fair value through profit or loss	134 505	84 479
Other short-term financial assets	8 364	6 023
Cash and cash equivalents	5 951	2 202
Total assets	1 203 420	1 123 874
Unitholders' funds and liabilities		
Unitholders' funds	1 158 412	1 083 450
Capital of the Fund	736 401	636 845
Retained income	9 988	8 245
Other reserves	412 023	438 360
Current liabilities	45 008	40 424
Trade payables	11 240	9 040
Accruals	452	444
Other payables	2 295	1 353
Trade payables to related parties	1 436	1 078
Unitholders for distribution	29 434	28 427

Non-permissible income available for dispensation	151	82
Total unitholders' funds and liabilities	1 203 420	1 123 874
Supplemental information		
Net asset value ("NAV") (per unit)	2 050 cents	2 101 cents

Statement of comprehensive income for the year ended 31 March 2017

	Audited 2017 R' 000	Audited 2016 R' 000
Income	98 733	94 684
Rental and related income	75 777	72 703
Income from investments excluding non-permissible income	21 313	20 540
Straight-lining of lease income	1 643	1 441
Expenses	40 203	32 967
Property expenses	33 301	27 255
Service charges	5 386	4 493
Other operating expenses	1 516	1 219
Net income from rentals and investments	58 530	61 717
Fair value adjustment to investment properties excluding straight-lining of lease income	20 304	24 994
Fair value adjustment to investment properties	21 947	26 435
Straight-lining of lease income	(1 643)	(1 441)
Operating profit for the year	78 834	86 711
Net non-permissible investment income	512	338
Operating profit including non-permissible income	79 346	87 049
Non-permissible income dispensed	(922)	(795)
Net profit for the year	78 424	86 254
Other comprehensive income		
Items that may subsequently be reclassified to profit or loss	(48 284)	65 128
Fair value (loss)/gain on available-for-sale financial assets	(48 284)	65 684
Realised fair value gain reclassified to profit or loss	-	(556)
Total comprehensive income for the year	30 140	151 382
Basic and diluted earnings per unit (cents)	143.7	175.1

Additional information:

Headline earnings and distribution income reconciliation

Basic earnings before non-permissible income adjustment	78 834	86 711
Non-permissible investment income	512	338
Basic Earnings after non-permissible income adjustment	79 346	87 049
Non-permissible income dispensed	(922)	(795)
Basic Earnings	78 424	86 254
Adjusted for:		
Realised gain on disposal of available-for-sale financial assets	-	(556)
Fair value adjustment to investment properties	(20 304)	(24 994)
Headline earnings	58 120	60 704
Less: Fair value adjustments on financial assets at fair value through profit or loss	(1 476)	(2 155)
Less: Fair value adjustments on tenant deposits	(268)	(161)
Less: Straight-line lease accrual	(1 643)	(1 441)
Distribution income excluding non-permissible income	54 733	56 948
Distribution received in advance	782	422
Income distributed	55 515	57 370
Basic earnings and diluted earnings per unit (cents)	143.7	175.1
Headline earnings and diluted headline earnings per unit (cents)	106.5	123.2
Distribution per unit including non-permissible income (cents)	102.0	117.2
Distribution per unit excluding non-permissible income (cents)	100.3	115.6
Weighted average units in issue	54 559 623	49 253 281
Units in issue at the end of the year	56 509 343	51 565 907

Statement of changes in unitholders' funds for the year ended 31 March 2017

	Capital of the Fund R' 000	Other Reserves R' 000	Retained income R' 000	Total R' 000
Balance at 1 April 2015	542 565	346 797	5 375	894 737
Net profit for the year ended 31 March 2016	-	-	86 254	86 254
Other comprehensive income				
Fair value gain on available-for-sale				

financial assets	-	65 684	-	65 684
Realised gain on disposal of available for sale financial assets	-	(556)	-	(556)
Total comprehensive income for the year ended 31 March 2016	-	65 128	86 254	151 382
Issue of units	52 435	-	-	52 435
Units issued for property acquisitions	42 500	-	-	42 500
Transaction costs for issue of new units	(233)	-	-	(233)
Transfer to non- distributable reserve	-	26 435	(26 435)	-
Distribution received in advance	(422)	-	422	-
Distribution to unitholders	-	-	(57 371)	(57 371)
Balance at 31 March 2016	636 845	438 360	8 245	1 083 450
Net profit for the year ended 31 March 2017	-	-	78 424	78 424
Other comprehensive loss				
Fair value loss on available-for-sale financial assets	-	(48 284)	-	(48 284)
Total comprehensive income for the year ended 31 March 2017	-	(48 284)	78 424	30 140
Issue of units	77 742	-	-	77 742
Units issued for property acquisitions	23 000	-	-	23 000
Transaction costs for issue of new units	(404)	-	-	(404)
Transfer to non- distributable reserve	-	21 947	(21 947)	-
Distribution received in advance	(782)	-	782	-
Distribution to unitholders	-	-	(55 516)	(55 516)
Balance at 31 March 2017	736 401	412 023	9 988	1 158 412

Distributions declared for the year amounted to 100.3 cents (2016: 115.6 cents) per unit.

Statement of cash flows for the year ended 31 March 2017

	Audited 2017 R' 000	Audited 2016 R' 000
Cash flows from operating activities		
Net profit for the period	78 424	86 254
Adjusted for:		
Non-permissible investment income received	(512)	(338)
Depreciation	180	111
Provision for receivables impairment	277	(1 473)
Straight-line lease accrual	(1 643)	(1 441)
Lease incentives	1 052	940
Realised gain on sale of financial assets	-	(556)
Fair value adjustment on financial assets at fair value through profit or loss	(1 744)	(2 316)
Fair value adjustment to investment properties excluding straight-lining of lease income	(20 304)	(24 994)
Net operating cash flow before changes in working capital	55 730	56 187
Increase/(decrease) in current assets		
Trade receivables	(1 217)	595
Other receivables	(566)	1 499
Trade receivables from related parties	110	-
Increase/(decrease) in current liabilities		
Trade payables	2 200	1 443
Accruals	8	210
Other payables	942	(248)
Trade payables to related parties	358	377
Cash generated from operations	57 565	60 063
Non-permissible investment income received	512	338
Unitholders for distribution	(1 767)	(1 680)
Non-permissible income	69	(824)
Net cash inflow from operating activities	56 379	57 897
Cash flows from investing activities		
Acquisition of available-for-sale financial assets	(25 330)	(38 148)
Acquisition of financial assets at fair value through profit or loss	(58 550)	(49 171)
Acquisition of property, plant and equipment	(260)	-
Capital expenditure to investment properties	(1 013)	(8 054)
Lease incentives paid	-	(159)
Acquisition of short-term financial assets	(3 081)	(1 149)

Proceeds from disposal of available-for-sale financial assets	-	1 979
Proceeds from disposal of financial assets at fair value through profit or loss	11 008	20 742
Net cash outflow from investing activities	(77 226)	(73 960)
Cash flows from financing activities		
Proceeds from issue of units	25 000	-
Transaction cost	(404)	(233)
Net cash inflow/(outflow) from financing activities	24 596	(233)
Net increase/(decrease) in cash and cash equivalents	3 749	(16 296)
Cash and cash equivalents		
At the beginning of the year	2 202	18 498
At the end of the year	5 951	2 202

Segmental information for the year ended 31 March 2017

	Retail R' 000	Offices R' 000	Indus- trial R' 000	Invest- ments R' 000	Cor- porate R' 000	Total R' 000
Segment revenue						
Property income						
Rental and related income	25 846	10 828	20 106	-	-	56 780
Recoveries	12 778	2 222	3 997	-	-	18 997
Income from investments excluding non-permissible income						
Dividend income						
- offshore	-	-	-	10 788	-	10 788
Permissible investment income - domestic	-	-	-	8 781	-	8 781
	38 624	13 050	24 103	19 569	-	95 346
Segment expense						
Property Expenses (excluding Provision for impairment)	20 067	5 113	7 263	-	-	32 443
Provision for receivables impairment	761	-	97	-	-	858

Service charges	-	-	-	-	5 386	5 386
Other operating expenses	-	-	-	461	1 055	1 516
	20 828	5 113	7 360	461	6 441	40 203
Realised gain on sale of available-for-sale financial assets	-	-	-	-	-	-
Segment result						
Operating profit/(loss)	17 796	7 937	16 743	19 108	(6 441)	55 143
Net finance income						
Non-permissible investment income	-	-	-	248	264	512
NPI Dispensed	(411)	-	-	(247)	(264)	(922)
Net profit/(loss) before straight-line lease income and fair value change to investment properties	17 385	7 937	16 743	19 109	(6 441)	54 733
Straight-lining of lease income	1 254	(6)	395	-	-	1 643
Fair value adjustment to investment properties	5 956	2 530	11 818	-	-	20 304
Fair value adjustment to financial assets at fair value through profit or loss	-	-	-	1 744	-	1 744
Net profit/(loss) after straight line lease income and fair value change to investment properties	24 595	10 461	28 956	20 853	(6 441)	78 424
Segment assets						

Investment properties	234 916	122 569	214 389	-	-	571 874
Property, plant and equipment	425	10	-	-	-	435
Straight-line lease accrual non-current	6 555	-	6 511	-	-	13 066
Straight-line lease accrual current	691	3	116	-	-	810
Available-for-sale financial assets	-	-	-	458 897	-	458 897
Other short term assets	3 578	230	4 556	-	-	8 364
Trade receivables	2 892	477	660	-	-	4 029
Other receivables	692	17	2 484	2 255	41	5 489
Trade receivables from related parties	-	-	-	-	-	-
Financial assets at fair value through profit or loss	-	-	-	134 505	-	134 505
Cash and cash equivalents	-	-	-	5 951	-	5 951
	249 749	123 306	228 716	601 608	41	1 203 420
Segment liabilities						
Trade payables	5 314	742	5 166	-	18	11 240
Accruals	45	8	39	-	360	452
Other payables	479	-	1 248	-	568	2 295
Trade payables to related parties	339	6	127	52	912	1 436
Unitholders for distribution	-	-	-	-	29 434	29 434
Non-permissible income available for dispensation	-	-	-	-	151	151
	6 177	756	6 580	52	31 443	45 008
Net current segment assets/(liabilities)	1 676	(29)	1 236	142 659	(31 402)	114 140
Capital						

Expenditure (incl. Property, plant and equipment)	1 189	62	22	-	-	1 273
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Segmental information for the year ended 31 March 2016

	Retail R' 000	Offices R' 000	Indus- trial R' 000	Invest- ments R' 000	Cor- porate R' 000	Total R' 000
Segment revenue						
Property income						
Rental and related income	21 553	10 112	22 042	-	-	53 707
Recoveries	11 872	3 107	4 017	-	-	18 996
Income from investments excluding non-permissible income						
Dividend income						
- offshore	-	-	-	10 889	-	10 889
Permissible investment income - domestic	-	-	-	6 779	-	6 779
	33 425	13 219	26 059	17 668	-	90 371
Segment expense						
Property Expenses (excluding Provision for receivables impairment)	18 237	3 697	5 977	-	-	27 911
Provision for receivables impairment	89	262	(1 007)			(656)
Service charges	-	-	-	-	4 493	4 493
Other operating expenses	-	-	-	135	1 084	1 219
	18 326	3 959	4 970	135	5 577	32 967
Realised gain on sale of available-for-sale financial assets	-	-	-	556	-	556
Segment result						
Operating profit/(loss)	15 099	9 260	21 089	18 089	(5 577)	57 960
Net finance						

income						
Non-permissible investment income	-	-	-	-	338	338
NPI Dispensed	(457)	-	-	-	(338)	(795)
Net profit/(loss) before straight-line lease income and fair value change to investment properties	14 642	9 260	21 089	18 089	(5 577)	57 503
Straight-lining of lease income	1 889	6	(454)	-	-	1 441
Fair value adjustment to investment properties	2 453	11 808	10 733	-	-	24 994
Fair value adjustment to financial assets at fair value through profit or loss	-	-	-	2 316	-	2 316
Net profit/(loss) after straight line lease income and fair value change to investment properties	18 984	21 074	31 368	20 405	(5 577)	86 254
Segment assets						
Investment properties	207 680	117 971	202 957	-	-	528 609
Property, plant and equipment	327	29	-	-	-	355
Straight-line lease accrual non-current	5 503	-	4 260	-	-	9 763
Straight-line lease accrual current	492	6	1 972	-	-	2 470
Available-for-sale financial assets	-	-	-	481 851	-	481 851

Other short term assets	2 901	209	2 913	-	-	6 023
Trade receivables	1 972	345	773	-	-	3 089
Other receivables	401	-	1 559	2 324	639	4 923
Trade receivables from related parties	-	-	-	-	110	110
Financial assets at fair value through profit or loss	-	-	-	84 479	-	84 479
Cash and cash equivalents	-	-	-	2 202	-	2 202
	219 275	118 560	214 434	570 856	749	1 123 874
Segment liabilities						
Trade payables	4 819	439	3 782	-	-	9 040
Accruals	21	7	33	-	383	444
Other payables	584	-	251	-	518	1 353
Trade payables to related parties	95	1	73	38	870	1 078
Unitholders for distribution	-	-	-	-	28 427	28 427
Non-permissible income available for dispensation	-	-	-	-	82	82
	5 519	447	4 139	38	30 281	40 424
Net current segment assets/(liabilities)	246	113	3 078	88 967	(29 532)	62 872
Capital Expenditure (including Property, plant and equipment)	7 446	37	571	-	-	8 054

Commentary

Basis of preparation and accounting policies

The preliminary financial statements are prepared in accordance with the requirements of the JSE Limited's "Listings Requirements" for preliminary reports. The Listings Requirements require preliminary reports to be prepared in accordance with the framework concepts and the measurement and recognition requirements of International Financial Reporting Standards ("IFRS") and the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee and Financial Pronouncements as issued by the Financial Reporting Standards Council and to also, as a minimum, contain the information required by IAS 34 Interim Financial Reporting and

the Collective Investment Schemes Control Act of 2002. The accounting policies applied in the preparation of the financial statements from which the preliminary financial statements were derived are in terms of International Financial Reporting Standards and are consistent with those accounting policies applied in the preparation of the previous annual financial statements.

The non-permissible income is dispensed to the Oasis Crescent Fund Trust which is a registered public benefit organisation. The accounting policies are consistent with those applied in the most recent annual financial statements of the Fund.

The financial statements are prepared on the historical cost basis as modified by the revaluation of investment properties, financial assets at fair value through profit or loss and available-for-sale financial assets.

PricewaterhouseCoopers Inc. has audited the financial information set out in this report. Their unqualified audit report is available for inspection at the Fund's registered office.

These preliminary audited results were compiled by the financial director, Michael Swingler CA(SA).

Any reference to the future financial performance of the Fund contained in this announcement has not been reviewed or reported on by the Fund's auditors.

Financial highlights

Distribution per unit including non-permissible income was 102.0 cents per unit (FY2016: 117.2 cents)

NAV per unit is 2 050 cents per unit (FY2016: 2 101 cents)

Intrinsic value return of 13.3% per annum since inception compared to inflation of 6.1% per annum

	2017	2016
Distribution per unit including non-permissible income (cents)	102.0	117.2
Distribution per unit excluding non-permissible income (cents)	100.3	115.6
Property portfolio valuation (Rm)	586	541
Investment in Offshore Listed Properties (Rm)	377	421
Investments in Local Listed Properties and other current assets (Rm)	240	162
Net asset value per unit (cents)	2 050	2 101
Listed market price at year end (cents)	2 025	1 950
Movement in investment properties:	R' 000	R' 000
Carrying value at the beginning of the year	528 609	453 843
Acquisitions during the period	23 000	42 500
Subsequent capitalised expenditure	1 013	8 054
Movement in lease incentives	(1 052)	(782)

Fair value adjustment to investment properties excluding straight-lining of lease income	20 304	24 994
Revaluation	21 947	26 435
Change in straight-line lease accrual	(1 643)	(1 441)
Carrying value at the end of the year	571 874	528 609

The valuation of investment properties include comparable bulk sales, discounted cash flow and net income capitalisation, using contracted rental income and other cash flows. Capitalisation rates used in the valuations are the most recent rates published by the South African Property Owners Association (SAPOA). The principal assumptions underlying estimation of fair value are those related to the receipt of contractual rentals, expected future market rentals, void levels ranging from 0% to 5%, maintenance requirements and appropriate discount rates. These valuations are regularly compared to actual market yield data, actual transactions by the Fund and those reported by the market. Valuations were carried out as at 31 March 2017 by Mills Fitchet Magnus Penny, an independent, professional valuer registered without restriction in terms of the Property Valuers Act No. 47 of 2000.

The valuation of investment properties requires judgement in the determination of future cash flows and an appropriate capitalisation rate which varies between 7.50% and 10.25% (2016: 7.5% and 10.25%). Changes in the capitalisation rate attributable to changes in market conditions can have a significant impact on property valuations. The valuation of investment properties may also be influenced by changes in vacancy rates.

Fair value estimation:

IFRS 13 requires that an entity discloses for each class of assets and liabilities measured at fair value, the level in the fair value hierarchy into which the fair value measurements are categorised in their entirety. The fair value hierarchy reflects the significance of the inputs used in making fair value measurements.

The fair value hierarchy has the following levels:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1).
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2).
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3).

The following table presents the Fund's assets and liabilities that are measured at fair value at 31 March 2017:

Assets	Level 1 R'000	Level 2 R'000	Level 3 R'000	Total R'000
Available-for-sale financial assets				
Investment in Oasis Crescent Global Property Equity Fund	-	377 134	-	377 134
Investment in listed property funds	79 961	-	-	79 961
Investment in Oasis Crescent	-	1 802	-	1 802

International Property Equity Feeder Fund				
Financial assets at fair value through profit or loss				
Investment in Oasis Crescent Income Fund	-	134 505	-	134 505
Other short-term financial assets	-	8 364	-	8 364
Investment property				
Investment property	-	-	571 874	571 874

The following table presents the Fund's assets and liabilities that are measured at fair value at 31 March 2016:

Assets	Level 1 R'000	Level 2 R'000	Level 3 R'000	Total R'000
Available-for-sale financial assets				
Investment in Oasis Crescent Global Property Equity Fund	-	420 545	-	420 545
Investment in listed property funds	61 306	-	-	61 306
Financial assets at fair value through profit or loss				
Investment in Oasis Crescent Income Fund	-	84 479	-	84 479
Other short-term financial assets	-	6 023	-	6 023
Investment property				
Investment property	-	-	528 609	528 609

The fair value of financial instruments traded in active markets is based on quoted market prices at the statements of financial position date. A market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency and those prices represent actual and regularly occurring market transactions on an arm's length basis. These instruments are included in level 1.

The instruments included in level 2 comprises of Irish stock exchange property equity investments classified as available-for-sale and investments in Shari'ah compliant instruments classified as financial assets at fair value through profit or loss. The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2. If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

Specific valuation techniques used to value financial instruments include:

Available-for-sale financial assets

Oasis Crescent Global Property Equity Fund:

The fair value of investments in the Oasis Crescent Global Property Equity Fund is determined using the closing NAV price published by Oasis Global Management Company (Ireland), the management company of the fund, and listed on the Irish Stock Exchange. The shares are not actively traded on the Irish Stock Exchange and are therefore not included in Level 1.

Oasis Crescent International Property Equity Feeder Fund:

The fair value of investments in Oasis Crescent International Property Equity Feeder Fund is determined using the closing Net Asset Value (NAV) price published by Oasis Crescent Management Company Limited, the management company of the fund. These investments are not actively traded on an exchange and are therefore not classified as Level 1.

Investment in listed property funds

The fair value of these investments is determined using the closing bid price as at statement of financial position date. These shares are listed and traded on the JSE Stock Exchange and are therefore classified as Level 1.

Financial assets at fair value through profit or loss

Oasis Crescent Income Fund

The fair value of investments in Oasis Crescent Income Fund is determined using the closing NAV price published by Oasis Crescent Management Company Ltd., the management company of the fund. These investments are not actively traded on an exchange and are therefore not classified as Level 1.

INTRODUCTION

The Fund is a well-diversified REIT invested in South African direct and listed property investments and high quality global listed REITS. The Fund has a strong balance sheet with no debt and substantial reserves which provide flexibility to take advantage of opportunities.

The objective of the Manager is to protect and grow the real wealth of investors by providing sustainable growth in NAV and delivering a consistent income stream that has potential to grow. Our focused approach has delivered significant real wealth creation for investors with an annualised total unitholder return of 13.5% relative to annualised inflation of 6.1% since inception, resulting in a real return of 7.4%. Your Fund's annualised total intrinsic value return is 13.3% per annum since inception.

Cumulative returns	Since Inception	2017	2016	2015	2014	2013
Unitholder return	321.1	321.1	286.3	227.3	165.3	125.9
Intrinsic value return	312.2	312.2	302.8	248.7	194.6	161.0
Inflation	95.2	95.2	83.7	71.7	65.2	56.0
Annual Returns	Since Inception	2017	2016	2015	2014	2013
Unitholder return	13.5	9.0	18.0	23.4	17.4	10.7
Intrinsic value return	13.3	2.3	15.5	18.4	12.9	16.4
Inflation	6.1	6.3	7.0	3.9	5.9	5.9
Market Price		2 025	1 950	1 750	1 500	1 350
NAV		2 050	2 101	1 919	1 706	1 587

MARKET OVERVIEW

The level of supply in global developed property markets has remained disciplined and net absorption remains positive in most of the markets. Global REIT debt levels are also well below their 2008 peaks and average debt maturity has increased. The current REIT DY to 10yr bond yield spreads

are still above their long term averages and REITS with a high exposure to the major global cities, positive secular demand drivers, enhancing refurbishments and superior balance sheets are well positioned. At the SA property level, shopping centres that are appealing destinations or offer convenience, are better positioned to grow their trading densities in a low growth environment. The demand for SA office space is linked to confidence and the employment outlook, which is going to take time to recover and the new supply of modern and efficient office properties is creating an increasing vacancy and rental risk for B and C grade office properties. On the industrial side, the tenant requirements for improving supply chain efficiency are positive drivers of demand for modern warehousing and logistics space while the demand for industrial manufacturing space is limited. Our portfolio is well positioned due to our focus on quality, value and diversification.

PORTFOLIO OVERVIEW

	2017		2016		2015	
	R'mil	%	R'mil	%	R'mil	%
Direct Property	586	49	541	48	465	50
Global Investments	377	31	421	37	345	37
Cash, SA Investments and other	240	20	162	15	121	13
Total Assets	1 203	100	1 124	100	931	100

The Fund has focused on building a portfolio with a combination of high quality direct property investments and global listed REITS with properties located in the major global cities, which adds geographic and currency diversification. The direct property portfolio includes exposure to the retail, industrial and office sectors with a high exposure to the Western Cape. In order to attract world class tenants, there is continuous investment in and maintenance of the direct properties. The global investments consist of the Oasis Crescent Global Property Equity Fund which is well positioned with a focus on REITS with the best quality assets and balance sheets. The Cash and other listed SA Investments provide flexibility for The Fund to pursue growth opportunities.

	2017 (R'000)	2016 (R'000)	2015 (R'000)	2017/2016 %	2017/2015 %
Direct property net income	42 066	44 990	37 153	(6)	6
Global Investment Income	10 788	10 889	9 838	(1)	5
Cash and Local Investment Income	8 320	6 646	3 720	26	50
Shared expense	(6 441)	(5 576)	(4 686)	16	17
Distributable Income excl NPI	54 733	56 949	46 024	(4)	9

During the period, the Fund was impacted by partial vacancy as long term fully repairing leases came to an end. This impact was partially offset by active asset management through tactical filling of vacancies and property acquisitions. Partial vacancy resulted in increased expenses being borne by the fund during the period. The acquisition of 364 Victoria Road contributed 3% towards direct property net income. Filling of vacancies at favorable rates contributed 2% towards the increase in direct property income with escalations contributing a further 4%. This was offset by the impact of vacancy which resulted in increased net operating expenses.

The investment income earned from the global investments was impacted by the Rand strengthening which was off-set by additional units of 3% due to reinvestments of distributions. Distribution per unit in US\$ from the Oasis Crescent Global Property Equity Fund has remained flat year-on-year with the average distribution growth of 4.5% at the REIT level being off-set by the weaker Pound to the US Dollar and timing of distributions. Cash and local investment income benefited from additional investments in SA listed property during the current financial period while the income received from the Oasis Crescent Income Fund is lower than the prior year due to the timing difference between placing investments and receiving the profit rates. The Oasis Crescent Income Fund cash flow yield has substantial upside as the gap between the cash flow yield and income yield closes over time. The higher service charge expense is due to the increase in the market capitalisation of the Fund. The weighted average units in issue increased due to a high proportion of unitholders electing to reinvest their dividends in additional units as well as the property acquired through the issue of units. The Fund continues to focus on renewing leases coming up for expiry and further improvements in the quality of the tenant mix.

	Rentable Area		Revenue 2017		Revenue 2016	
	Area (m ²)	%	(R'mil)	%	(R'mil)	%
Western Cape	81 796	83	44.2	57	44.9	61
KwaZulu-Natal	16 407	17	32.6	43	28.7	39
Total - Direct Property (excl straight lining)	98 203	100	73.6	100	73.6	100

Note: Revenue includes recoveries and excludes leasing incentives

Segmental Profile

Segment	Rentable area (m ²)	2017		2016	
		Average rental per m ² for the period	Average rental escalation per m ² (%)	Average rental per m ² for the period	Average rental escalation per m ² (%)
Retail	22 987	104 R	8 m ² (%)	114 R	8 m ² (%)
Office	7 629	121 R	8 m ² (%)	113 R	8 m ² (%)
Industrial	67 587	35 R	7 m ² (%)	28 R	8 m ² (%)
TOTAL	98 203				

Like for like change in average retail rental per m² increased by 7% year on year. The total year on year decrease is due to the change in mix of

the portfolio due to the property acquisition. Average office rental per m² increased in line with annual rental escalations. The increase in average industrial rental per m² was impacted by taking advantage of selective opportunities at favourable rates over the short term.

Vacancy Profile

% of total rentable area	2017	2016
Retail	1.5	0.8
Office	0.3	0.0
Industrial	7.2	0.0

Note: This relates only to the Direct Property Portfolio

Lease expiry profile

	2017		2016	
	Rental Area %	Revenue %	Rental Area %	Revenue %
- Within 1 year	53	53	57	52
- Within 2 year	5	11	4	6
- Within 3 year	6	5	5	9
- Within 4 year	1	2	1	2
- Within 5 year or more years	35	29	33	31
	100	100	100	100

Tenant Profile

	2017 (%)	2016 (%)
A - Large nationals, large listed, large franchisees, multi-nationals and government	77	67
B - Nationals, listed, franchisees and medium to large professional firms	3	17
C - Other	20	16
TOTAL	100	100

Note: Tenants are classified as large or major ("A" grade) or medium to large ("B" grade) based on their financial soundness, profile and global or national footprint.

Investment Portfolio Characteristics

The investment in high quality global listed REITS provide geographic and sector diversification. Global REIT cash flow yields (FFO yield) and dividend yields remain attractive relative to bond yields and the Oasis Crescent Global Property Equity Fund is well positioned. Valuation characteristics are very attractive with an average cash flow yield of 6.7% and dividend yield of 5.2% which offers value relative to the average bond yield and inflation of 2.3% and 1.5% respectively.

The Fund invests its liquid reserves in the Oasis Crescent Income Fund which provides competitive, Shariah compliant income and flexibility to take advantage of opportunities.

OUTLOOK

The Fund remains focused on addressing the lease expiry profile through strategically renewing leases of high quality tenants and improving the tenant mix where necessary. Expiries also provide opportunities to strategically refurbish properties and enhance tenant mix. The accumulated cash and liquid reserves provide the flexibility to take advantage of opportunities. Post the period end, the Fund will initiate an investment in a new modern logistics facility in the Western Cape which is the start of a strategic partnership with long term potential. Management is confident in the strategy of the Fund.

ADDITIONAL INFORMATION

Property management

Property management is outsourced to the Manager and external service providers. The amount paid to the Manager during the 2017 financial year was R1.34 million (FY2016: R1.25 million)

Service charge

The service charge is equal to 0.5% per annum of the Fund's market capitalisation and borrowing facilities based on the average daily closing prices of the units. The amount paid to the Manager was R5.39 million during the 2017 financial year (FY2016: R4.49 million).

Units in issue

As at 31 March 2017, the number of units in issue was 56,509,343 (FY2016: 51,565,907).

Unitholders' holding more than 5% of issued units as at 31 March 2017:

NAME	NUMBER OF UNITS	HOLDING (%)
Oasis Crescent Balanced Progressive Fund of Funds	7 003 862	12.4
Oasis Crescent Property Company Proprietary Limited	6 780 577	12.0
Oasis Crescent Pension Annuity Stable Fund	5 155 438	9.1
Oasis Crescent Balanced Stable Fund of Funds	3 853 027	6.8
Oasis Crescent Retirement Annuity High Equity Fund	3 596 220	6.4
BNP Paribas Securities	3 161 912	5.6
Total	29 551 036	52.3

Shareholding in OCPFM

OCPFM is 100% owned by Oasis Group Holdings Proprietary Limited

Related party transactions and balances

Oasis Crescent Property Fund Managers Limited is the management company of the Fund in terms of the Collective Investment Schemes Control Act.

Oasis Group Holdings Proprietary Limited is a tenant at The Ridge@Shallcross as well as 24 Milner Road and the parent of Oasis Crescent Property Fund Managers Limited.

As disclosed in the prospectus of Oasis Crescent Global Property Equity Fund, a management fee is charged for investing in the Oasis Crescent Global Property Equity Fund by Oasis Global Management Company (Ireland) Limited, the manager of that fund.

As disclosed in the prospectus of Oasis Crescent Income Fund and Oasis Crescent International Property Equity Feeder Fund, a management fee is charged for investing in the Oasis Crescent Income Fund by Oasis Crescent Management Company Limited, the manager of that fund.

Abli Property Developers Proprietary Limited renders property development consulting services to the Fund on capital development projects.

Oasis Asset Managers renders investment management services to the Fund on Available-for-sale financial assets.

There are common directors to Oasis Crescent Property Fund Managers Limited, Oasis Group Holdings Proprietary Limited, Oasis Global Management Company (Ireland) Limited, Oasis Crescent Management Company Limited, Oasis Asset Management and Abli Property Developers Proprietary Limited. Transactions with related parties are executed on terms no less favourable to the Fund than those arranged with third parties.

Type of related party transactions

The Fund pays a service charge and a property management fee on a monthly basis to Oasis Crescent Property Fund Managers Limited.

Related party transactions

	2017	2016
	R'000	R'000
Service charge paid to Oasis Crescent Property Fund Managers Limited	5 386	4 493
Property management fees paid to Oasis Crescent Property Fund Managers Limited	1 335	1 251
Rental and related income from Oasis Group Holdings Proprietary Limited at The Ridge@Shallcross	426	467
Rental and related income from Oasis Group Holdings Proprietary Limited at 24 Milner Road	799	275
Consulting fees paid to Abli Property Developers Proprietary Limited for consulting services on capital projects	37	186
Investment management fees paid to Oasis Asset Management	461	135
Related party balances		
Trade receivables from Oasis Group Holdings Proprietary Limited	-	110
Trade payables to Oasis Crescent Property Fund Managers Limited	(981)	(873)
Trade payables to Oasis Group Holdings Proprietary		

Limited	(386)	(154)
Trade payables to Oasis Asset Management	(52)	(38)
Trade payables to Abli Property Developers Proprietary Limited	(17)	(12)

The Fund issued 1 209 649 new units to Oasis Crescent Property Company Proprietary Limited in consideration for 364 Victoria Road at an issue price of 1 901 cents per unit.

Changes to the board of directors of the Manager of the Fund

In line with the SENS published on 20 December 2016 unitholders of the Fund are hereby advised that Mr Abbas Abdul Gani has resigned from the Board of Directors of Oasis Crescent Property Fund Managers Limited, the manager of the Fund, with effect from 14 December 2016, due to personal health reasons.

Declaration announcement in respect of distribution for the 6 months ended 31 March 2017.

Notice is hereby given that a distribution for the six-month period ended 31 March 2017 has been approved and declared of 5 206.17928 cents (in aggregate), after non-permissible income, for every 100 (one hundred) units so held, to unitholders recorded in the register of the Fund at close of business on Friday, 9 June 2017. Unitholders may elect to receive the distribution in cash or to reinvest the distribution by the purchase of new units at a rate of 2.53960 units at 2 050 cents per unit (in aggregate), for every 100 (one hundred) units so held.

Unitholders should take note of the corporate timetable as set out below in respect of the abovementioned distribution and the election in terms thereof.

SALIENT DATES AND TIMES

2017

Declaration announcement on SENS of distribution and right of election to purchase new units or receive a cash payment	Wednesday, 3 May
Circular and form of election posted to unitholders	Friday, 19 May
Finalisation announcement on SENS in respect of distribution and right of election to purchase new units or receive a cash payment	Friday, 19 May
Circular and form of election posted to unitholders	Friday, 19 May
Last day to trade in order to be eligible for the distribution	Tuesday, 6 June
Trading commences ex- entitlement to the distribution	Wednesday, 7 June

Listing of maximum possible number of units that may be purchased at commencement of trade on	Friday, 9 June
Closing date for the election of cash distribution at 12:00 pm on	Friday, 9 June
Record date for the distribution	Friday, 9 June
Cash distribution cheques posted and CSDP/broker accounts updated with cash	Monday, 12 June
Announcement of the results of the distribution on SENS	Monday, 12 June
Unit certificates posted and CSDP/broker accounts updated with units	Wednesday, 14 June
Adjustment of number of new units listed on or about	Monday, 19 June

Notes:

1. Unitholders reinvesting their distribution in new units are alerted to the fact that the new units will be listed 3 business days after the last day to trade and that these new units can only be traded 3 business days after the last day to trade, due to the fact that settlement of the units will be 3 business days after the record date, which differs from the conventional one business day after the record date settlement process.
2. Units may not be dematerialised or rematerialised between Wednesday, 7 June 2017 and Friday, 9 June 2017, both days inclusive.
3. The above dates and times are subject to change. Any changes will be announced on SENS.
4. Dematerialised unitholders should provide their CSDP or broker with their election instructions by the cut-off time stipulated in terms of their custody agreement with such CSDP or broker.
5. If no election is made, the distribution accrued to the unitholder will be used to purchase additional units.

Fractions

Trading in the electronic Strate environment does not permit fractions and fractional entitlements in respect of units. Accordingly, should a unitholder's entitlement to new units, calculated in accordance with the ratio mentioned above, give rise to a fraction of a new unit, such fraction will be rounded down to the nearest whole number, resulting in allocations of whole units and a payment to the unitholder in respect of the remaining cash amount due to that unitholder under the distribution.

Tax implications

For taxation purposes, OCPF is a REIT as defined in the Income Tax Act as from 1 April 2013 and, accordingly, the tax implications of the distribution have changed as from that date. The distribution will not be exempt from income tax in terms of section 10(1)(k) of the Income Tax Act.

For South African tax residents, the distribution will be exempt from dividends tax in terms of section 64F(1) of the Income Tax Act, provided that you, as unitholder, provide the transfer secretary, or your nominee, custodian or CSDP with confirmation of your tax residence status in the prescribed form. If you do not provide the required residence status, they will have no choice but to withhold dividends tax at a rate of 20%.

For non-residents for South African tax purposes, the distribution received by a non-resident from a REIT will be subject to dividend withholding tax at 20%, unless the rate is reduced in terms of any applicable agreement for the avoidance of double taxation ("DTA") between South Africa and the country of residence of the shareholder. Non-resident unitholders that believe that a reduced rate of tax applies in respect of their applicable DTA should contact the transfer secretary, or their nominee, custodian or CSDP for the prescribed form to record the reduced rate of tax.

Where dividends tax is withheld at 20% for non-resident unitholders:

- the reinvestment ratio for non-resident unitholders will be 2.03168 units at 2 050 cents per unit, for every 100 (one hundred) units held on the record date;
- should such unitholders elect to receive the distribution in cash, they will receive 4 164.94342 cents per 100 units held on the record date.

The Income Tax Act sections applicable to the distributions made are as follows:

Property income distribution from a REIT - section 10(1)(k) and section 64F(1)

Both resident and non-resident unitholders are encouraged to consult their professional tax advisors with regard to their individual tax liability in this regard.

A circular will be posted out to unitholders on Friday, 19 May 2017, in respect of the unit and income distribution.

The number of units in issue at the date of the aforesaid distribution is 56 509 343. The income tax reference number of the Fund is 3354212148.

By order of the board
Oasis Crescent Property Fund Managers Limited

Cape Town
3 May 2017

PSG Capital Proprietary Limited
Designated Adviser