

REBOSIS PROPERTY FUND LIMITED
 (Rebosis or the company)
 (Registration number 2010/003468/06)
 (Approved as a REIT by the JSE)
 JSE share code Rebosis A share: REA
 JSE share code Rebosis Ordinary share: REB
 Alpha code: REBI
 ISIN Rebosis A share: ZAE000240552
 ISIN Rebosis Ordinary share: ZAE000201687

REVIEWED RESULTS for the six months ended 29 February 2020
 and Change of Directorate

HIGHLIGHTS

Total Assets	R14.1bn
Net Property Income growth (like for like)	(4.7)%
Portfolio WALE	3.1 years
Portfolio Vacancy	7.1%
Retail trading density growth	6.5%
Retail footfall growth	1.9%

	Group Reviewed for the six months ended 29 Feb 2020	Unaudited for the six months ended 28 Feb 2019
Revenue (R'000)	924 181	953 317
Distributable income per A Share (cents)	34.46	132.75
Distributable income per B Share (cents)	0.00	16.00
Basic and diluted earnings per A Share (cents)	139.39	132.75
Basic and diluted earnings per B Share (cents)	(271.43)	(302.45)
Basic and diluted headline earnings per A Share (cents)	139.39	132.75
Basic and diluted headline earnings per B Share (cents)	(12.84)	11.13
Net asset value per A Share (R)	0.77	13.65
Net asset value per B Share (R)	5.57	6.99

INTRODUCTION

Rebosis is a JSE listed real estate investment trust (REIT) with a high quality diversified portfolio across commercial and retail assets. The majority of the commercial income enjoys a sovereign underpin from leases to

national government departments accross 36 buildings. The retail portfolio has dominant shopping centres in Port Elizabeth (Baywest Mall) and East London (Hemingways Mall) and three regional malls located in Pretoria.

FINANCIAL RESULTS

Distributable Income Statement

	29-Feb-20	28-Feb-19	Difference
	Rm	Rm	
Property income (excluding straight-lining)	933	985	(52)
Property expenses	(302)	(282)	(20)
Corporate and administration costs	(82)	(70)	(12)
Other income	2	2	
Finance costs	(478)	(471)	(7)
Interest income- Cross currency swaps	2	31	(29)
Distributable earnings - before once off items	75	195	(120)
Other interest expense	(17)	(17)	
Prior year taxation	(36)	-	(36)
Total distributable earnings	22	195	(173)

The group was negatively impacted by tough trading conditions in the property sector during the six- month period ending 29 February 2020. The decline in net property income relates to reversions and the loss of income from disposed properties. The increase in property expenses is due to additional estimated credit loss allowances that were raised. The increase in corporate and admin cost is mainly due to transactional and professional fees. The other interest expense relates to accrued interest raised on the deferred payment liability. The prior year taxation is as a result of no section 25BB deduction.

Investment property was revalued for the Interim reporting period. The commercial property portfolio was independently valued by CBRE while due to the impact of the lockdown directors' valuations were performed for the retail portfolio. A fair value write down of R1.7 billion was processed reducing the carrying value of the commercial properties by 7% to R7.2 billion and the retail portfolio by 21.0% to R6.2 billion.

DECLARATION AND PAYMENT OF CASH DIVIDEND

The Rebosis Board has resolved not to declare an interim dividend and no dividend was declared in the prior interim period.

CHANGE OF DIRECTORATE

Francois Froneman has resigned as an independent director of the board and chairman of audit committee with effect from 30 June 2020.

Francois has made a significant contribution to the company over the years that he has served as a director and the board wishes to thank him for his service.

Thabo Seopa has been appointed as chairman of the audit committee and the board looks forward to his continued contribution.

PROSPECTS

The interest rates decrease will have a material positive impact on the fund given the debt levels, with the unhedged and expiring hedged portion of debt at 72% in H2 (2020). This will continue to lead towards a much improved interest cover ratio and better returns for shareholders.

We remain confident on the office portfolio given its defensive nature and this will mitigate the risk from the retail portfolio.

The Covid 19 negative impact has affected collections from impacted retailers on our retail portfolio, with 73%, 78% and 88% overall collection rates in April, May and June respectively, and, while we anticipate higher collection rates going forward, the food, beverage, services and entertainment sectors may not recover. Our objective will be to continue to assist the small businesses to ensure continuity into the future through sensible rent concessions.

The lack of growth in the economy, now exacerbated by the Covid 19 impact, will continue to negatively affect the retail environment, more-so the weak currency that implies higher input cost to retailers and lesser margins on products, leading to a squeeze on landlord rentals.

Our focus will be on achieving good lease renewals, vacancy fill ups that are more informed by innovative repositioning of the offerings in our retail centres in line with global trends.

We will continue deleveraging our balance sheet in an endeavour to achieve an optimal capital structure through asset disposals at good value with some imminent transactions in progress. Furthermore, in an endeavour to realise shareholder value and continued success of the business, the Board is assessing various approaches from the market.

AUDIT OPINION

The group's auditors BDO South Africa Incorporated has issued an unqualified review opinion having resolved our valuation differences, however the material uncertainty related to going concern remains.

SHORT-FORM ANNOUNCEMENT

This short-form announcement has been prepared by Ms I. King CA (SA), in her capacity as Chief Financial Officer of the Company, and is the responsibility of the directors of Rebosis. The full announcement is available on the JSE's website at <https://senspdf.jse.co.za/documents/2020/jse/isse/REB/ie2020.pdf> and can be found on the Company's website at <http://www.rebosis.co.za/#investor-relations>

The information contained in this short-form announcement is only a summary of the information in the Full Announcement and does not contain full or complete details. Any investment decision by investors and/or shareholders should be based on consideration of the Full Announcement published on SENS and on the Company's website as a whole.

A copy of the Full Announcement is available for inspection, and may be requested, by investors and/or shareholders at the Company's registered office, Office 95 & 95A Forest Hill City, 6922 Forest Beech Street, Monavoni, Centurion, 0157, Attention: Isabeau King, and at the offices of the Sponsor (Nedbank Corporate and Investment Banking, a division of Nedbank Limited, Nedbank 135 Rivonia Campus, 135 Rivonia Road, Sandown, Sandton, 2196, Attention: Michelle Benade) at no charge, during business hours from 29 June 2020 to 6 July 2020.

The information contained in this short-form announcement has not been reviewed or reported on by the Company's auditors.

By order of the Board

29 June 2020

Equity and Debt Sponsor

NEDBANK CIB