

REBOSIS PROPERTY FUND LIMITED  
(Incorporated in the Republic of South Africa)  
(Registration number: 2010/003468/06)  
JSE share codes:  
REA ISIN: ZAE000240552  
REB ISIN: ZAE000201687  
Alpha code: REBI  
(Approved as a REIT by the JSE)  
("Rebosis" or the "Company")

## UPDATE ON THE PROPOSED DISPOSAL OF THE MEDSCHEME BUILDING

### 1. Introduction

Rebosis shareholders are referred to the announcement dated 1 June 2020 wherein they were advised that the Company had, through its wholly-owned subsidiary Ascension Properties Limited ("**Seller**"), accepted an offer to purchase dated 29 May 2020 ("**Offer**") in respect of the proposed disposal of the Medscheme Building to Old Fort Crescendo Corevision (Pty) Ltd (Reg No 2019/339759/07) ("**Purchaser**") ("**Disposal**").

Shareholders are hereby advised that the Seller and the Purchaser have now concluded a sale of rental enterprise agreement ("**Agreement**") dated 31 July 2020 ("**Signature Date**"), which contains certain amendments or additions to the Offer, as detailed in paragraphs 2 to 4 below.

### 2. The Disposal Consideration

The cash consideration payable by the Purchaser to the Seller for the Property in terms of the Agreement is R89.1 million excluding VAT ("**Disposal Consideration**"), payable on the date of registration of transfer of ownership of the Property into the name of the Purchaser ("**Transfer Date**"). The VAT payable in terms of the Disposal Consideration will be zero rated.

### 3. Conditions Precedent

The Agreement is subject to the following conditions precedent ("**Conditions Precedent**"), which replace the conditions precedent contained in the Offer:

- 3.1 within 5 business days of the Signature Date, the boards of directors of the Purchaser and the Sellers shall have approved the Disposal;
- 3.2 the conclusion by the Purchaser of a due diligence investigation into the Property by 6 August 2020;
- 3.3 by 6 August 2020, the Purchaser shall have furnished the Seller with confirmation of funding of the Disposal Consideration obtained via a combination of cash funding in the amount of R22.275 million ("**Cash Component**") and debt funding in the amount of R66.825 million ("**Debt Funding**") secured by a mortgage bond over the Property;
- 3.4 within 15 days of the fulfilment of the last Condition Precedent, the Purchaser shall furnish the conveyancers with a bank guarantee(s), in respect of the Debt Funding;
- 3.5 within 5 days of receipt of written request from the conveyancers, which shall be after the date on which the last of the Conditions Precedent is fulfilled and prior to lodgement of transfer of the Property, the Purchaser shall make payment of a portion of the Cash Component in the amount of R16.924 million into the conveyancer's trust account;

- 3.6 on the date of lodgement of transfer of the Property, the Purchaser shall make payment of the balance of the Cash Component in the amount of R5.351 million into the conveyancer's trust account;
- 3.7 within 30 days of fulfilment of the condition contained in paragraph 3.3 above, the parties enter into a cession of lease agreement with Medscheme Holdings (Proprietary) Limited ("**Medscheme**") in terms of which the lease agreement ("**Lease Agreement**") is ceded to the Purchaser with effect from the Transfer Date; and
- 3.8 within 30 days of fulfilment of the condition precedent contained in paragraph 3.3 above, the Seller concludes an addendum to the Lease Agreement in terms of which 130 additional parking bays shall be provided by the Seller to the tenant.

#### **4. Parking**

The Seller shall at its cost (estimated to be R5 million), upgrade the parking area at the Property by adding an additional 130 covered parking bays on the Property on or before the Transfer Date.

#### **5. Value of and profits attributable to the net asset that are the subject of the Disposal**

The information contained in this paragraph has been updated in line with the Company's reviewed results for the six months ended 29 February 2020 ("**Interim Financials**"), which were published on 29 June 2020.

The value of the Property is R92 880 000, which has been extracted from the Interim Financials, which have been prepared in terms of International Financial Reporting Standards ("**IFRS**"). The valuation was performed by CBRE Excellerate, who is independent from the Company and registered as a professional valuer in terms of the Property Valuers Profession Act, No. 47 of 2000

The value of the net assets that are the subject of the Disposal and the profits attributable to the net assets that are subject of the Disposal are R92 880 000 and R5 175 366 respectively ("**Financial Information**"). The Financial Information has been extracted from the Company's Interim Financials, was prepared in terms of IFRS, is the responsibility of the directors of Rebosis and has not been reported on or reviewed by a reporting accountant.

Johannesburg

3 August 2020

Investment Bank, Corporate Advisor, and Equity and Debt Sponsor

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