

## FORTRESS REIT LIMITED

(Incorporated in the Republic of South Africa)

(Registration number 2009/016487/06)

JSE share codes: FFA ISIN: ZAE000248498

FFB ISIN: ZAE000248506

Bond Company code: FORI

LEI: 378900FE98E30F24D975

(Approved as a REIT by the JSE)

(“Fortress” or “the Company”)



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## FURTHER TRADING STATEMENT

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Shareholders are referred to Fortress’ condensed unaudited consolidated interim financial statements for the six months ended 31 December 2019 (the “**interim results**”) published on SENS on 5 March 2020 and to the trading statement published on 18 August 2020.

In the interim results, shareholders were advised that the Company had with effect from 1 January 2020 adopted a revised distribution methodology in terms of which, distributable earnings for the year ended 30 June 2020 (“**FY 2020**”) were forecast to be R3 079 135 000 (“**distributable earnings forecast for FY 2020**”). Given the uncertainty around the impact of the COVID-19 pandemic, Fortress withdrew guidance of distributable earnings and dividends relating to FY 2020 in its announcement published on 17 April 2020.

Fortress is now in a position to advise shareholders that, based on the revised distribution methodology and including the NEPI Rockcastle plc capitalisation issue, distributable earnings for FY2020, are expected to decline by approximately 30% from the distributable earnings forecast for FY 2020 as disclosed in the interim results.

The board of directors of Fortress (the “**Board**”) intends to declare a dividend to the Fortress A shareholders for the second income period of the financial year ended 30 June 2020 such that the total distributions for FY 2020 satisfy the minimum distribution requirement in terms of the JSE Listings Requirements.

Based on the current JSE Listings Requirements, Fortress A shareholders are accordingly advised that the dividend per Fortress A share is expected to be between 65% and 75% lower (being between 47.853 cents and 55.215 cents per share less) than the dividend per Fortress A share of 73.62 cents for the six months ended 30 June 2019.

Fortress B shareholders are referred to the trading statement published on 18 August 2020 wherein the Company advised that, as Fortress will not meet the A distribution entitlement, no distribution will be declared or paid in respect of the Fortress B shares for the second income period of the financial year ended 30 June 2020.

The financial information contained in this trading statement has not been reviewed or reported on by Fortress’ auditors.

Fortress’ consolidated results for the year ended 30 June 2020 will be published on 3 September 2020.

26 August 2020

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Lead sponsor

JAVACAPITAL

Joint sponsor

