

## **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", "OCPF" or "the Fund")



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## **SHORT-FORM ANNOUNCEMENT: AUDITED RESULTS FOR THE YEAR ENDED 31 MARCH 2021 AND DISTRIBUTION DECLARATION**

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### **OASIS CRESCENT PROPERTY FUND PHILOSOPHY & STRATEGY**

The Fund is a well-diversified real estate investment trust ("REIT") invested in South African direct property investments, high quality global listed REITs and liquid instruments. The Fund is focused on meeting all tenant needs and maintaining world class facilities. The absence of debt and financial leverage delivers a more sustainable rate of growth during the normal course of operations but more importantly, the Fund is not exposed to the risk and negative effects of financial leverage during difficult times as we are currently experiencing.

#### **1. THE PERIOD IN BRIEF**

Unitholder return of 11.6% per annum since inception compared to inflation of 5.5% per annum.

Net asset value per unit increased by 3.1% from 2 172 cents per unit to 2 239 cents per unit.

Significant new lease concluded with a national tenant which has reduced the vacancy of the portfolio based on gross lettable area ("GLA") from 9.2% to 4.3%.

Excellent performance with distribution per unit including non-permissible income declining by only 12% year on year with the non-recurring COVID-19 impact from discounts, bad debts and lower global investment income reducing distribution per unit by 14% and a non-recurring electricity billing adjustment having a negative impact of 2%. Excluding these non-recurring items, the organic distribution growth per unit is 4% year on year.

Rental discounts granted of R2.7m make up 3% of annual rental and recoveries and rental deferrals offered were 1.5% of annual rental and recoveries while lease extensions of R10.8m were concluded.

Key differentiator is that the Fund has no debt and its tenant profile remains low-risk as 87% of tenants are multi-national, national, or government-related.

Upside from additional offshore investment which will contribute to distributable income going forward.

#### **2. KEY FINANCIAL HIGHLIGHTS**

Revenue decreased by 7.8% to R105.7 million, from R114.6 million in the prior corresponding period.

Distributable income decreased by 10.0% to R57.9 million, from R64.3 million in the prior corresponding period.

Distribution per unit decreased by 12.1% to 88.8 cents per unit, from 101.0 cents per unit in the prior corresponding period.

Net asset value per unit increased by 3.1% to 2 239 cents per unit, from 2 172 cents per unit in the prior corresponding period.

Headline earnings per unit increased by 336.2% to 134.8 cents per unit, from 30.9 cents per unit in the prior corresponding period.

Earnings per unit increased by 106.6% to 156.2 cents per unit, from 75.6 cents per unit in the prior corresponding period.

### **3. DECLARATION ANNOUNCEMENT IN RESPECT OF THE DISTRIBUTION FOR THE 6 MONTHS ENDED 31 MARCH 2021**

Notice is hereby given that a distribution of 4,503.80664 cents (in aggregate), after non-permissible income, for every 100 (one hundred) units so held, has been approved and declared to unitholders recorded in the register of OCPF at close of business on Friday, 4 June 2021, from income. Unitholders may elect to receive the distribution in cash or to reinvest the distribution by the purchase of new units at a rate of 2.01152 units at 2,239 cents per unit (in aggregate), for every 100 (one hundred) units so held.

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.

The publication of this announcement and/or applicable documents and the right to reinvest the distribution in jurisdictions other than South Africa may be restricted by law and a failure to comply with any of these restrictions may constitute a violation of the securities laws of any such jurisdictions. OCPF units have not been and will not be registered for the purposes of the election under the securities laws of the United Kingdom, European Economic Area or EEA, Canada, United States of America, Japan or Australia and accordingly are not being offered, sold, taken up, re-sold or delivered directly or indirectly to recipients with registered addresses in such jurisdictions.

In respect of the distribution, unitholders who will receive the distribution are hereby informed that, 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 Central Securities Depository Participant ("**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-resident unitholders, for South African tax purposes, the distribution received by a non-resident unitholder 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 tax residence of the unitholder. Non-resident unitholders that believe that a reduced rate of tax applies in respect of their applicable DTA should contact the transfer secretaries or their nominee, custodian or CSDP for the prescribed form to record the reduced rate of tax.

Where dividends tax is withheld at 20%:

- the reinvestment ratio for non-resident unitholders will be 1.60921 units at 2,239 cents per unit, for every 100 (one hundred) units held on the record date; and
- should such unitholders elect to receive the distribution in cash, they will receive 3,603.04532 cents per 100 units held on the record date.

Kindly contact the transfer secretaries, or your nominee, custodian or CSDP for a copy of the prescribed declaration form.

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, 14 May 2021, in respect of the unit and income distribution.

Units in issue at the date of declaration of the distribution: 65 732 845

Income tax reference number: 3354212148

The salient dates of the distribution declaration are:

<b>2021</b>	
Release of results and declaration announcement on the Stock Exchange News Service of the JSE (“ <b>SENS</b> ”) of distribution and right of election to purchase new units or receive a cash payment	<b>Thursday, 29 April</b>
Circular and form of election posted to unitholders	<b>Friday, 14 May</b>
Finalisation announcement on SENS in respect of distribution and right of election to purchase new units or receive a cash payment	<b>Friday, 14 May</b>
Last day to trade in order to be eligible for the distribution	<b>Tuesday, 1 June</b>
Trading commences ex-entitlement to the distribution	<b>Wednesday, 2 June</b>
Listing of maximum possible number of units that may be purchased at commencement of trade	<b>Friday, 4 June</b>
Closing date for the election of cash distribution or to reinvest at 12:00 p.m. on	<b>Friday, 4 June</b>
<b>Record date for the distribution</b>	<b>Friday, 4 June</b>
Electronic payment and CSDP/broker accounts updated with cash	<b>Monday, 7 June</b>
Announcement of the results of the distribution on SENS	<b>Monday, 7 June</b>

Unit certificates posted and CSDP/broker accounts updated with units	<b>Wednesday, 9 June</b>
Adjustment of number of new units listed on or about	<b>Friday, 11 June</b>

**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, 2 June 2021 and Friday, 4 June 2021, both days inclusive.
3. The above dates and times are subject to change. Any changes will be announced on SENS.
4. All times quoted above are South African times.
5. 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.
6. If no election is made, the distribution accrued to the unitholder will be used to purchase additional units

**4. SHORT-FORM ANNOUNCEMENT**

This short-form announcement is the responsibility of the directors of the Fund's manager, Oasis Crescent Property Fund Managers Limited. It contains only a summary of the information in the full announcement ("**Full Announcement**") and does not contain full or complete details. The Full Announcement can be found at:

<https://senspdf.jse.co.za/documents/2021/JSE/ISSE/OAS/FY2021.pdf>

Copies of the Full Announcement are also available for viewing on the Fund's website at <http://www.oasis.co.za/default/content.aspx?initial=true&moveto=704> or may be requested in person (during office hours), at no charge, at the Fund's registered office or from the office of the Fund's designated advisor, PSG Capital.

Any investment decisions by investors and/or unitholders should be based on consideration of the Full Announcement, as a whole.

These annual results for the year ended 31 March 2021 have been audited by the Fund's auditors, Nexia SAB&T, who expressed an unmodified audit opinion thereon. The audit opinion also includes communication of key audit matters. The audit opinion is available, along with the annual financial statements and the summarised consolidated financial statements, on the Fund's website at <http://www.oasis.co.za/default/content.aspx?initial=true&moveto=704>.

Cape Town  
29 April 2021

Designated Advisor  
PSG Capital



PSG CAPITAL