

VUKILE PROPERTY FUND LIMITED
(Incorporated in the Republic of South Africa)
(Registration number 2002/027194/06)
JSE share code: VKE NSX share code: VKN
ISIN: ZAE000180865
Bond company code: VKEI
(Granted REIT status with the JSE)
("Vukile" or "the Company")



UPDATE ON REINSTATEMENT OF PROPERTIES DAMAGED DURING UNREST IN KWAZULU-NATAL AND GAUTENG

Shareholders are referred to the announcement released on SENS on 14 July 2021 regarding damage to six of Vukile's shopping centre properties during the recent unrest in KwaZulu-Natal and Gauteng. Vukile's South African retail portfolio comprises 45 properties.

Having spent the past week on-site with our team of professional advisors and actively engaging with tenants, service providers and insurers, management now has a good understanding of the estimated damage and a project plan to reinstate damaged properties as quickly as possible. The estimated cost of repairs to the damaged properties is expected to be less than 2% of the value of Vukile's South African retail portfolio.

Promisingly, the estimated damage suffered is less than originally anticipated and is significantly lower than the value for which Vukile is insured. In addition, Vukile has ample undrawn facilities at its disposal to enable the Company to effect repairs ahead of its insurance claims being finalised, thereby ensuring its centres are fully operational as quickly as possible. Vukile is also fully insured for the potential loss of rental income which is expected to represent less than 3% of annual gross rental income from South Africa.

Engagement with insurers to date has been positive and Vukile is encouraged by President Ramaphosa's confirmation that all SASRIA claims will be covered as well as their commitment to expedite payment of all valid claims. Vukile has also duly notified its insurers of its intention to submit a claim for loss of rental income.

Durban Workshop did not suffer material damage and is expected to be substantially operational by the end of September 2021 and fully operational by the end of October 2021. Hammarsdale Junction and Pinetown Pine Crest, which suffered damage limited to shopfronts, roller shutter doors and fixtures and fittings, are expected to be fully operational before the end of September 2021. Vukile is currently focusing on getting the food anchor tenants in Durban Workshop, Hammarsdale Junction and Pinetown Pine Crest operational by mid-August 2021, thereby restoring an essential service to the communities served by these centres.

Only KwaMashu Shopping Centre in KwaZulu Natal has suffered significant structural damage, and represents approximately 60% of the total damage incurred to Vukile's South African retail portfolio. Repairs and clean-up operations are under way and it is expected that the centre will be fully operational by April 2022.

Daveyton Shopping Centre and Soweto Dobsonville Mall are currently operating at 85% and 50% capacity respectively, having suffered damage mainly to shopfronts. These centres are expected to be fully repaired and operational by mid-August 2021.

Whilst affected centres are predominantly tenanted by large national tenants with limited exposure to SMMEs, these tenants are expected to play an important role in South Africa's economic recovery and management is actively engaging with them to ensure that they recommence trade as quickly as possible.

Vukile would like to thank its on-site staff, tenants, service providers, law enforcement agencies and the local communities who have all played an invaluable role in safeguarding Vukile's properties during this difficult time.

29 July 2021

JSE sponsor and debt sponsor



NSX sponsor

