

REBOSIS PROPERTY FUND LIMITED

(Rebosis or the company or the group or the fund)

(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

ISIN Rebosis A share: ZAE000240552

ISIN Rebosis Ordinary share: ZAE000201687

Portfolio WALE	New vacancy letting
2.4	9 833 m(2)

Total Assets	Trading density growth
R13 billion	7.4%

Revised portfolio disposal	Lease renewals
R3.3 billion	95 930m(2)

UNAUDITED RESULTS For the 6 months ended 28 February 2022

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 its commercial income enjoys a sovereign underpin from national, provincial and local government departments across 35 buildings. The retail portfolio has a mix of regional and super regional malls, spread across Gauteng and the Eastern Cape.

FINANCIAL RESULTS

Net property income decreased by 6% when compared on a like-for-like basis to the comparative period. This is mainly due to vacancies on spaces that were occupied in February 2021.

The distributable income before tax excluding once-off items increased from a R71.3 million loss to a R72.5 million income. The increase in the distributable income is due to the lower finance costs when comparing year on year R358 million (2021: R516 million), this was mainly driven by the lower repo rate. Other operating expenses also decreased to R76 million (2021: R94.5 million), this was driven by no expenses being incurred for the deferred payment liability.

All interest-bearing borrowings have been disclosed as short-term portion due to the group breaching its loan covenants. Management has successfully renewed its facilities with Nedbank, Standard Bank and Investec for a further 6 months, the extension was negotiated in March and April 2022.

The loan with Rand Merchant Bank of R242.9 million expired on 31 August 2021 (February 2022: R242.9 million) and the facility has not been renewed. Negotiations are still underway to renew the facility up to 31 August 2022. At the time of the release of the interim results, the loan had not been recalled.

The uncertainty of the renewal of the loan may cast significant doubt on the entity's ability to continue as a going concern.

The portfolio including investment property held for sale is valued at R13.0 billion (2021: R13.1 billion). This signifies a R156 million drop in the value of the properties. The commercial portfolio is reflecting a R22 million decrease in value. This is attributable to reversionary rentals on government tenanted properties as well as vacancies that have taken longer to materialise.

The retail portfolio has the most significant change with a negative fair value adjustment of R134 million. The decline is mainly due to an increase in vacancies that were not previously anticipated predominantly in Forest Hill City and Sunnypark shopping center.

As previously announced via a SENS "Update on the disposal of a portfolio of property assets" released 25 March 2022, the disposal transaction value had decreased to an aggregate cash consideration of R3.35 billion (Aug 21: R6.3 billion) due to the reduction in the sale portfolio through the 11 rental enterprises (Originally 32 rental enterprises).

The fair value figures reflect a sum effect of R3.3 billion which is lower than the aggregate cash consideration.

DECLARATION AND PAYMENT OF CASH DIVIDEND

The Rebosis board has resolved not to declare an interim dividend for the 6 months ended 28 February 2022 (28 February 2021: Nil). As per the REIT requirements the board is required to perform the solvency and liquidity test (as defined in the Companies Act) when considering payment of a distribution. This test was performed and based on management's assessment, the company is currently solvent but not liquid and therefore unable to make payment.

SHORT-FORM ANNOUNCEMENT

This Short-form Announcement has been prepared by Ms A.L. Magwentshu CA (SA), in her capacity as Chief Financial Officer of the company, and is the responsibility of the directors of Rebosis. The Full Announcement ("Full Announcement") was released on the JSE's website on 27 May 2022 and can be found on the company's website at <http://www.rebosis.co.za/#investor-relations>. The Full Announcement is also available on the JSE's website at <https://senspdf.jse.co.za/documents/2022/jse/isse/REB/ie2022.pdf>

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 the JSE's website 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: Asathi Magwentshu, and at the offices of the Sponsor (Nedbank Corporate and Investment Banking, a division of Nedbank Limited).

By order of the Board

27 May 2022

	Unaudited for the 6 months ended 28 February 2022	Group Unaudited for the 6 months ended 28 February 2021
	R000	R000
Revenue (R'000)	822 086	835 732
Distributable income per A Share (cents)	153.68	146.36
Distributable loss per B Share (cents)	(3.54)	(23.53)
Basic and diluted earnings per A Share (cents)	153.68	146.36
Basic and diluted loss per B Share (cents)	(24.20)	(23.05)
Basic and diluted headline earnings per A Share (cents)	153.68	146.36
Basic and diluted headline loss per B Share (cents)	(4.68)	(20.72)
Net asset value per A Share (R)	2.70	0.75
Net asset value per B Share (R)	4.23	4.51

Sponsor
Nedbank Corporate and Investment Banking, a division of Nedbank Limited

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