

DELTA PROPERTY FUND LIMITED

(Incorporated in the Republic of South Africa)

(Registration number: 2002/005129/06)

JSE share code: DLT ISIN: ZAE000194049

(Approved as a REIT by the JSE)

("Delta" or the "Company" or the "group")

INTERNALISATION OF THE ASSET MANAGEMENT FUNCTION

Delta shareholders are advised that the Company has entered into a binding sale of shares agreement ("**Sale of Shares Agreement**") with the trustees for the time being of the DPAM Employee Benefit Trust (the "**Trust**") in terms of which Delta will acquire all of the issued ordinary shares in Delta Property Asset Management Proprietary Limited ("**DPAM**") ("**Sale Shares**") from the Trust for an aggregate purchase consideration of R1,000 ("**Purchase Price**"). In settlement of the Purchase Price, Delta will allot and issue 7,692 ordinary shares to the Trust ("**Subscription Shares**") (the "**Transaction**"). The Sale of Shares Agreement is not subject to any conditions and will be implemented on or about 31 August 2023. The Sale of Shares Agreement contains warranties and indemnities which are normal for a transaction of this nature.

DPAM is the asset manager in respect of Delta's property portfolio in terms of the asset management agreement entered into between Delta and DPAM on or about 1 September 2015 ("**AMA**"). The AMA was entered into for an initial term of 5 years and was subsequently renewed on 1 September 2020 for a further period of 3 years. The current term of the AMA expires on 31 August 2023.

Pursuant to the Transaction, DPAM will become a wholly-owned subsidiary of Delta and will subsequently distribute all of its assets (including, amongst others, the AMA) to the Company, in anticipation of its deregistration and liquidation. The AMA will therefore automatically terminate by operation of law and the asset management function currently provided by DPAM in terms of the AMA will be internalised within Delta. The decision to enter into the Transaction follows a strategic review by the Delta board of directors, which considered, amongst others, Delta's ongoing financial exposure under the AMA and alternatives available to the group.

Shareholders are further advised that the related party transaction provisions contained in section 10 of the JSE Listings Requirements do not apply to the Transaction as the relevant percentage ratio with respect to the categorisation calculation is less than 0.25%.

Johannesburg
30 August 2023

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

Legal advisor
Webber Wentzel