

REBOSIS PROPERTY FUND LIMITED (IN BUSINESS RESCUE)

Incorporated in the Republic of South Africa

(Registration number: 2010/003468/06)

JSE share code: REA ISIN: ZAE000240552

JSE share code: REB ISIN: ZAE000201687

(Approved as a REIT by the JSE)

("Rebosis" or the "Company" or the "Group")

BUSINESS RESCUE QUARTERLY UPDATE ANNOUNCEMENT AS AT 31 AUGUST 2023

In terms of paragraph 1.11 (c) of the JSE Limited ("**JSE**") Listings Requirements, Rebosis is required to release a quarterly update advising holders of securities of the current state of affairs of Rebosis and the action proposed to be taken by the Company in order to have its listing on the JSE reinstated. The delay in the publication of this quarterly update as at 31 August 2023 is due to the timing of the public sales process ("**PSP**").

The Business Rescue Practitioners ("**Joint BRPs**") continue to implement the business rescue plan ("**BR Plan**") and this report sets out the quarterly update on the PSP as at 31 August 2023. The PSP was initiated in accordance with the approved BR Plan to facilitate the disposal of Group assets in order to reduce the overall Group debt.

Rebosis is currently operating in terms of the BR Plan and only following conclusion of the PSP will the Company be in a position to determine its next steps in accordance with the BR Plan.

1. PSP progress

- 1.1 Shareholders are referred to the announcement released by the Company on 6 April 2023 which provided salient information regarding the PSP and the last monthly update announcement released on SENS on 15 August 2023.
- 1.2 Rebosis confirms that, in terms of the PSP, it has entered into the following sale agreements before 31 August 2023:
 - A portfolio sale agreement was concluded on 21 August 2023 between the Joint BRPs of Ascension Properties Proprietary Limited ("**Ascension**"), Rebosis, Main Street 1119 Proprietary Limited, Cape Horizon Properties 125 Proprietary Limited (all in business rescue) and CBD Investments Proprietary Limited ("**CBD**"), to dispose of a portfolio of properties ("**CBD Disposal Properties**") for an aggregate consideration of R3,005,832,000;
 - A portfolio sale agreement and a separate sale of rental enterprise agreement was concluded on 21 August 2023 between the Joint BRPs of Rebosis, Bay West City Proprietary Limited, Forest Hill City Shopping Centre Proprietary Limited (all in business rescue) and Hangar 18 Investments Proprietary Limited ("**Hangar 18**") to dispose of a portfolio of properties ("**Hangar 18 Portfolio Properties**"), and a separate property ("**Bloed Street Property**") together with a material lease ("**Bloed Street Lease**") (the Hangar 18 Portfolio Properties and the Bloed Street Property being collectively referred to as the "**Hangar 18 Disposal Properties**"), for an aggregate consideration of R3,580,000,000 in respect of the Hangar 18 Portfolio Properties and an aggregate consideration of R420,000,000 for the Bloed Street Property and Bloed Street Lease; and
 - A portfolio sale agreement was concluded on 28 August 2023 between the Joint BRPs of Ascension (in business rescue) and Hemipac Investments Proprietary Limited ("**Hemipac**"), to dispose of a portfolio of properties, together with the rental enterprises conducted thereon ("**Hemipac Disposal Properties**") for an aggregate consideration of R650,000,000.

The anticipated transfer date of the CBD Disposal Properties and the Hangar 18 Disposal Properties into the name of CBD and Hangar 18, respectively, is by or about 21 February 2024, and the anticipated transfer date of the Hemipac Disposal Properties into the name of Hemipac is by or about 28 February 2024.

- 1.3 Subsequent to 31 August 2023, Rebosis entered into a portfolio sale agreement on 22 September 2023 between the Joint BRPs of Ascension (in business rescue) and Katleho Property Investments Proprietary Limited (“**Katleho**”), to dispose of a portfolio of properties, together with the rental enterprises conducted thereon (“**Katleho Disposal Properties**”), for an aggregate consideration of R160,000,000.

The anticipated transfer date of the Katleho Disposal Properties into the name of Katleho is by or about 31 March 2024.

- 1.4 The disposals referred to above (the “**Disposals**”) are in accordance with the PSP and are the culmination of a competitive process. The proceeds of the Disposals will be used to reduce the existing indebtedness of the Group. Rebosis will update the market on significant milestones in the disposal process.

2. Delay in financial reporting

Rebosis has not been able to publish its annual financial statements for the year ended 31 August 2022 (“**FY22 AFS**”) nor its interim report for the six months ended 28 February 2023 (“**Interim Results**”) within the required timelines in terms of the JSE Listings Requirements, due to the following reasons:

- the audit process in respect of the FY22 AFS is still ongoing. To finalise the audit opinion, Rebosis is required to have authorised and approved the valuations of its Investment Properties. These valuations have been completed by an independent third party and are currently being reviewed internally;
- the Interim Results can only be completed once the FY22 AFS have been finalised; and
- in addition, delays are expected in respect of the finalisation of the annual financial statements for the year ended 31 August 2023.

3. Employees and support functions

During the business rescue process, and up until 31 August 2023, the Company has ensured that all Rebosis employees have been paid, such that support functions, facilities management services and property and asset management functions across the portfolio remain uninterrupted. In an effort to save jobs as envisaged in the BRP Plan, the Joint BRPs have actively engaged with the buyers of the properties to take on as many employees as possible and have preserved the employment of circa 75% of affected employees.

The Joint BRPs remain confident that there is a reasonable prospect of rescuing the business.

Capitalised terms used in this announcement are as defined in the BR Plan, unless otherwise stated.

6 December 2023

Joint BRPs:	Phahlani Mkhombo and Jacques du Toit
Advisors to the Joint BRPs:	Java Capital Proprietary Limited, Black Acres Proprietary Limited, Deloitte & Touche
Legal Advisors to the Joint BRPs:	Cliffe Dekker Hofmeyr Inc.
Sponsor to Rebosis:	Nedbank Corporate and Investment Banking, a division of Nedbank Limited