

DELTA PROPERTY FUND LIMITED

(Registration number 2002/005129/06)
(Incorporated in the Republic of South Africa)
Share code: DLT ISIN: ZAE000194049
("Delta" or the "Company")
(REIT status approved)

VOLUNTARY ANNOUNCEMENT: RESPONSE TO THE PUBLIC CENSURE AND FINE IMPOSED BY THE JSE LIMITED

Shareholders are referred to the announcement published by the JSE Limited ("JSE") on 16 February 2024, relating to the public censure and fine imposed by the JSE for the prior period errors contained in Delta's previously published financial statements for the financial periods ended 28 February 2018, 28 February 2019 and 29 February 2020, as well as the interim results for the six months ended 31 August 2020 (together the "**financial information for the 2018 to 2020 financial periods**").

The current board of directors of Delta (the "**Delta Board**") notes the JSE's statement that the Company was transparent, corrected the prior period errors, and disclosed the improprieties to the market.

The current Delta Board and executive management have spent a significant amount of time rebuilding credibility by establishing a robust governance framework, creating more transparency within the business, and ensuring the accuracy and reliability of the financial information disclosed to the market, while resolving the legacy issues that it inherited.

As further background, shareholders are referred to the Stock Exchange News Service announcements published by Delta on 9 and 15 December 2020 relating to the forensic investigation update and withdrawal of the financial statements for the year ended 29 February 2020 (the "**2020 financial statements**"), and the suspension of the Company's shares on the JSE, respectively. These announcements noted that, *inter alia*, as a result of the forensic investigation, Delta's auditor, BDO South Africa Incorporated ("**Auditor**"), had withdrawn its audit opinion in respect of the 2020 financial statements and consequently, the previous Delta Board withdrew the financial information for the 2018 to 2020 financial periods.

On 22 April 2021, Delta re-issued its financial information for the 2018 to 2020 financial periods. The JSE initiated an investigation following the re-issued financial information for the 2018 to 2020 financial periods, which has resulted in the public censure and fine referred to herein being imposed by the JSE.

The JSE has decided to impose a public censure and the maximum permissible fine of R7 500 000 on Delta as a result of its failure to comply with important provisions of the JSE Listings Requirements. However, R5 000 000 of this fine has been suspended for a period of five years on condition that the Company is not found to be in breach of the provisions of the JSE Listings Requirements pertaining to the accuracy of its financial information, financial reporting and related disclosures during the period of suspension.

The JSE's suspension of a material portion of the fine is informed by the JSE's acknowledgment of Delta's full co-operation with the JSE during this process, Delta's financial position, and the remedial actions undertaken by the current executive management.

Although Delta is disappointed to have received a public censure and fine from the JSE, the current Delta Board is pleased that the JSE has agreed to suspend a significant portion of the fine. Delta has worked tirelessly to address the inherited legacy issues and ensure that the Company is once again a respected name in the South African REIT sector.

Delta remains committed to pursuing legal action against the main perpetrators identified during the forensic investigations, referred to in the announcements published in 2020 in relation to the above, to recover any losses suffered by the Company.

Johannesburg

19 February 2024

Sponsor

Nedbank Corporate and Investment Banking, a division of Nedbank Limited