

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")

PROPOSED DISPOSAL OF DU TOITSPAN, ANCHOR HOUSE AND UPDATE ON SUCCESSFUL TRANSFER OF 5/7 ELLIOT

A. PROPOSED DISPOSAL OF ANCHOR HOUSE AND DU TOITSPAN

1. Introduction

Delta shareholders are hereby advised that the Company (the "**Seller**") has entered into a sale of letting enterprise agreement ("**Agreement**") with Currolink Investments Proprietary Limited (the "**Purchaser**"), to dispose of its properties situated at 63 Maitland Street, Bloemfontein, Free State and 95 Du Toitspan Street, Kimberley, Northern Cape, including immovable and movable assets, and as more commonly known as "Anchor House" and "Du Toitspan" respectively (the "**Properties**"), for a cash consideration of R33 million (the "**Disposal Consideration**") ("**Disposals**").

2. Rationale and use of proceeds

As part of the Company's business and portfolio strategy of optimisation, it was agreed to dispose of assets which are no longer strategic to the Company. In keeping with this strategy, the Company has taken a decision to exit certain regions, including Bloemfontein and Kimberley. These two properties fall in the category of assets that are being disposed of by virtue of their location.

The combined net proceeds from the Disposals of R31.7 million will be utilised by the Company to reduce debt and the Loan-to-Value ratio (LTV) by 0.1% from 60.9% to 60.8% and to reduce vacancy levels by 0.5% from 33.4% (as at 29 February 2024) to 32.9%.

3. Terms and conditions of the Disposals

3.1 Purchaser

The ultimate beneficial shareholder of the Purchaser is Elias Phatudi Maponya. The Purchaser is not a 'related party' as defined in the Listings Requirements of the JSE Limited ("**JSE**").

3.2 Effective date

The Seller has agreed to sell, and the Purchaser has agreed to purchase, the Properties with effect from, and inclusive, of the date on which the registration of transfer of the Properties into the name of the Purchaser is effected, which date the Company anticipates will be approximately 16 November 2024 ("**Transfer Date**").

3.3 Disposal Consideration

The Disposal Consideration is R33 million exclusive of VAT, paid/payable in cash, as follows:

- a non-refundable deposit of R3.3 million received on 01 October 2024; and
- R29.7 million secured by way of guarantees, acceptable to the Seller, which guarantees shall be expressed as payable on the Transfer Date. The guarantees are to be delivered within forty-five days from the date of signature of the Agreement ("**Signature Date**").

3.4 Conditions precedent

The Disposals are subject to fulfilment of the following conditions precedent:

- within 10 business days of the Signature Date, the approvals of the respective boards of directors of the Seller and Purchaser; and

- within 120 days after the Signature Date, the Seller and Purchaser have complied with the JSE Listings Requirements (insofar as may be applicable to the Agreement or to any party), and obtained such consents and approvals as may be required.

3.5 Representations and warranties

The Agreement contains representations and warranties by the parties in favour of one another which are standard for transactions of this nature.

4. Financial and property-related information in respect of the Properties

	Anchor House	Du Toitspan
Gross lettable area:	8 669m ²	9 485m ²
Weighted average rental ¹ :	R0/m ²	R53.3/m ²
Net operating (loss)/income ¹ :	(R1.2 million)	R7.4 million
Vacancy rate ¹ :	90.7%	55.9%
Effective date of the Disposals:	On or about 13 December 2024, being the anticipated transfer date of the Property into the name of the Purchaser	On or about 13 December 2024, being the anticipated transfer date of the property into the name of the Purchaser
Sector:	Office - Government	Office - Government
Valuation ²	R6.9 million	R31.7 million

Notes:

1. The weighted average rental, net operating (loss)/income and vacancy rates in respect of the Properties have been extracted from the Company's annual financial statements for the period ended 29 February 2024, which were prepared in terms of International Financial Reporting Standards.
2. The valuations for both Properties were performed as at 29 February 2024 by Theuns Behrens (Real Insight), who is independent from the Company and registered as a professional valuer in terms of the Property Valuers Profession Act, No. 47 of 2000.
3. The financial information contained in this announcement is the responsibility of the board of directors of Delta and has not been reviewed and reported on by Delta's auditors or a reporting accountant.

5. Categorisation

The Disposals are classified as a Category 2 transaction in terms of the JSE Listings Requirements. Accordingly, the Disposals are not subject to shareholder approval.

B. VOLUNTARY ANNOUNCEMENT REGARDING THE SALE AND SUCCESSFUL TRANSFER OF 5/7 ELLIOT AND TRUSTFONTEIN

Delta shareholders are referred to the announcement released by the Company on SENS on 14 May 2024 and are hereby advised that the Company has now transferred and successfully concluded the disposals of Erf 7365 Kimberly ("5/7 Elliot") and Erf 24891 Bloemfontein ("Trustfontein").

Johannesburg
02 October 2024

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