

# REBOSIS

## PROPERTY FUND

### **Rebosis Property Fund Limited**

(Registration number 2010/003468/06)  
(Incorporated in the Republic of South Africa)  
("Rebosis" or "the Fund" or "the Group")

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### **REBOSIS TO SELL R6.32 BILLION OFFICE PORTFOLIO AND OPTIMISE BALANCE SHEET**

- **Rebosis to dispose of its commercial office portfolio to an SPV**
- **Proceeds from disposal to be used to settle debt, reducing LTV from 72% to 42% in line with acceptable loan-to-value levels for REITs**
- **The successful transaction supports Rebosis' strategy of becoming a retail-dominant REIT**
- **Transaction subject to conclusion of conditions precedent and regulatory approvals**

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**Friday, 22 October 2021. Johannesburg.** JSE-listed Rebosis Property Fund today announced that it has entered into a sales agreement with Ulricraft (Pty) Ltd (or "the Purchaser"), a Special Purpose Vehicle ("SPV") wholly-owned by Vunani Capital Partners Limited ("VCP") a company listed on Equity Express Securities Exchange, which could see the Company dispose of its commercial office portfolio for a cash consideration of R6.32 billion.

It must be noted that while VCP is currently the owner of all of the issued share capital of the Purchaser, upon fulfilment of all conditions precedent, it is expected that VCP will only own between 6% and 9% of the Purchaser, with the balance being owned by other equity funders.

Proceeds from the disposal will be used to pay down debt from a current R9.4 billion to approximately R3 billion which will substantially deleverage Rebosis' balance sheet. Subsequent to the transaction, Rebosis' loan-to-value is expected to reduce to approximately 42% from the 72.2% reported for the six months ended 28 February 2021, in line with acceptable loan-to-value levels for REITs.

Rebosis founder and CEO, Dr Sisa Ngebulana commented:

***"This is an important milestone as part of our roadmap to deleverage the balance sheet. It crystallises value for shareholders and repositions Rebosis as a well-capitalised, retail dominant REIT with solid growth prospects, paying consistent distributions to shareholders."***

The transaction is subject to several conditions precedent including the successful completion of a due diligence by the SPV, regulatory approvals and approval by Rebosis' shareholders.

## FOR IMMEDIATE RELEASE

Rebosis' commercial portfolio includes 35 buildings and 1 industrial property of which 32 will be disposed of. 15 of these assets are held directly by Rebosis and are independently valued at R3.64 billion, including some iconic buildings such as 11 Diagonal Street (the "diamond building") in Johannesburg. A further 17 assets in Rebosis' wholly owned subsidiary, Ascension Properties Limited, independently valued at R1.99 billion are also included in the disposal transaction.

Most of these assets are let by various government entities and parastatals, providing a defensive underpin. Three of the office assets are currently being converted into purpose-built student accommodation.

On successful conclusion of the transaction, Rebosis will be repositioned as:

- a retail focused fund valued at R7.5 billion, comprising five dominant retail malls and four office/retail/other assets;
- with a strong balance sheet and a loan-to-value ratio of approximately 42%;
- with enviable property assets which are of a superior quality and that are well looked after internally;
- with experienced and highly skilled management teams with depth and deep knowledge of the business;
- on sound footing with systems, processes and well-defined accountability and reporting structures; and
- with the ability to resume dividend payments to shareholders.

**Ends.**

**[www.rebosis.co.za](http://www.rebosis.co.za)**

**Issued on behalf of Rebosis Property Fund by:**

**Articulate Capital Partners**

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### **NOTES TO EDITORS**

Rebosis is retail-focused real estate investment trust (REIT), with a high-quality government-tenanted commercial portfolio.

Rebosis owns large regional malls in Port Elizabeth (Baywest Mall), East London (Hemingways) and Centurion (Forest Hill City) as well as regional malls in Pretoria (Sunnypark & Bloed Street).

The Company's commercial portfolio includes 35 buildings, most of which are let to national government. The sovereign underpin shields the portfolio from political and economic volatility.