Financial Modelling disclaimers:

- *The Financial Models were prepared solely for the use(s) as described in the Engagement Letter with the BRP and were not prepared for any other use(s) in mind.*
- *The BRP will not be held accountable for how any extracts from the Financial Models are utilised. Events may have occurred after the date of the Financial Model(s) which could change its content, had they been known when the Financial Models were prepared. The Financial Models are prepared using a variety of assumptions related to possible alternative strategies in relation achieving the objective of Business Rescue. The actual outcome that is eventually achieved is likely to differ from the version presented herein due to the underlying nature of forecast financial information.*
- *The extracts of the Financial Model(s) reflected below represent one of these possible potential outcomes and are not meant to reflect an exhaustive set of scenarios and possible outcomes.*
- *Reliance on the extracts of the Financial Model(s) is entirely at your own risk.*

Material Assumptions Underpinning the Financial Model(s)

The financial model has been designed to cater for a number of alternative cases, one of which is described below.

Scenario	**Description**
All investment property assets sold	• All investment property assets are sold. • This is the active scenario depicted in this annexure.
Proceeds from investment property asset sales	• The greater of the Quadrant Properties (Pty) Ltd ('Quadrant') investment property asset valuations (see Investment property asset revaluation assumptions below) or the capitalised 12-month aggregate forward looking net operating income ('NOI') at the date of sale based on Management's forecast assumptions. • The proceeds from investment property asset sales are gross amounts with transaction costs being recognised as an expense in the Income Statement(s).
Transaction costs	• 2.5% of sales proceeds.
Investment property asset transfer period	• Two months from the date of finalisation of the agreement of sale of each investment property asset.
Business rescue plan approval date	• 03/04/2023 which is ten business days from BR plan publication date. • Given that the model is in a monthly format, 30/04/2023 is assumed.
Business rescue plan Date of Substantial Implementation ('the DoSI')	• 30/06/2024 • At the DoSI, the aggregate amount of any outstanding secured and unsecured debt is assumed to be transferred to the relevant 'Reinstated debt' accounts until the lenders decide how to deal with these loans (i.e. written off/converted/credit bid/continued/etc.). • At the DoSI, the aggregate amounts of any Debt, Current and Non-current Liabilities Subject to Compromise ('LSC') are

	credited to equity, and any 'Reinstated Debt' is debited to equity.
Operational income and expense assumptions	• The current active scenario is the 'Base case', which reflects the operational cash flows from the NOI models, which were reviewed and signed off by Management. • NOI capitalisation rate assumptions were provided by Quadrant.
Revenue	• The revenue line item in the summarised income statements below is a sum of i) Rental income; ii) Other income; iii) Recoveries; and iv) Straight-line rental adjustment. Once the asset is sold, the straight-line rental accrual asset account is closed out and may result in the summarised revenue line item below being negative in the individual subsidiaries. This straight-line rental adjustment is a non-cash item and is added back in the cash flow statement.
Investment property asset revaluation	• Investment property assets were valued by Quadrant in March 2023, and these valuations are reflected from FY2023 onwards.
Minimum cash balances	• R20m at Rebosis and R20m at Ascension, resulting in a R40m minimum cash balance at Group level.
Allocation of head office ('H/O') costs	• H/O costs are allocated on the basis of apportionment according to each property's aggregate gross lettable area ('GLA') as a percentage of the Group's aggregate GLA. • Staff retrenchment costs are included in the H/O costs line item. These are apportioned according to the aggregate market value of investment assets sold at a point in time, as a percentage of the Group's aggregate remaining investment property assets.
Income tax assumptions	• The entity continues to enjoy REIT tax status, i.e. no capital gains tax ('CGT') upon sale of investment property assets. • ~~There are no s19 Income Tax Act gross income inclusions due to any concession or compromise in respect of a debt because of reliance upon specific exemptions available to the Group entities as a result of their REIT status.~~
Post commencement finance overdraft ('PCF overdraft')	• The 'PCF overdraft' reflects the cumulative amount of all operating expenses, capex and other post commencement amounts funded by the relevant lenders in each entity from the date the business rescue commenced.
'Deposit account' in each entity balance sheet	• All investment property revenue flows into deposit accounts under the Lender's control until the DoSI, at which time the full balance of these accounts in each entity is released to pay down any PCF balance outstanding. • It is assumed that interest is earned on any balance at the deposit rate. • In some entities, the release of the deposit account cash is insufficient to settle all of the PCF outstanding balance, resulting in an 'Exit overdraft'.
Exit overdraft	• The Exit overdraft at the DoSI in each entity reflects any remaining PCF balance after the release (offset) of any Deposit

	account cash and serves as a liquidity facility for each entity thereafter. • To the extent that liquidity is required, this will be reflected by an increasing Exit overdraft balance post the DoSI. For instance, it is assumed that any interest on outstanding debt is paid, and this is funded from this Exit overdraft.
Deferred tax asset	• The financial model(s) include a Deferred tax allowance account that is netted off against the Deferred tax asset account, because it is unlikely that any assessed losses will be utilised in the future.
Classification of investment property	• Investment property has not been reclassified to 'Investment property held for sale' as the forecasts depict the intention to sell all assets by FY2024.
Intercompany loans	• The 'New interco loans' reflect the transfer of cash between the various entities to settle debt in terms of the debt waterfall(s).
Outstanding account balances	• As each lender maintains their rights in relation to the outstanding account balances post the DoSI, the forecasts contain certain accounts with balances that persist beyond the DoSI. • The intention is to only finalise these accounts after the DoSI.
Consolidation treatment	• At the consolidated levels, the 'Investment in subsidiaries', intercompany loans and subsidiary equity is eliminated with positive or negative Goodwill as the adjustment amount.

Financial Extracts:

Baywest:

Income statement	*FY 2023*	*FY 2024*	*FY 2025*	*FY 2026*
	31 Aug 2023	*31 Aug 2024*	*31 Aug 2025*	*31 Aug 2026*
Revenue	207 864 785	(54 727 037)	-	-
Property expenses	(99 963 703)	(26 188 213)	-	-
Net property income	**107 901 082**	**(80 915 250)**	**-**	**-**
Operating expenses and other fees	(16 042 597)	(37 831 360)	-	-
Operating income	**91 858 485**	**(118 746 609)**	**-**	**-**
Net interest	(126 245 161)	(55 861 627)	(18 352 066)	(20 364 423)
Net operating (loss)/income	**(34 386 676)**	**(174 608 236)**	**(18 352 066)**	**(20 364 423)**
Other incomes	-	-	-	-
Profit/(loss) from sale of investment property	-	(1 024 270)	-	-
Changes in fair value and impairments	(362 556 469)	-	-	-
Total (loss)/profit before taxation	**(396 943 144)**	**(175 632 507)**	**(18 352 066)**	**(20 364 423)**
Taxation expense	96 817 200	30 203 506	-	-
Total comprehensive (loss)/income	**(300 125 945)**	**(145 429 001)**	**(18 352 066)**	**(20 364 423)**

<u>Balance sheet</u>	*FY 2023*	*FY 2024*	*FY 2025*	*FY 2026*
	31 Aug 2023	*31 Aug 2024*	*31 Aug 2025*	*31 Aug 2026*
Assets				
Non-current assets	**1 460 818 590**	**1 382 316 684**	**1 382 316 684**	**1 382 316 684**
Investment property	1 358 534 530	-	-	-
Fair value of property portfolio	*1 250 000 000*	-	-	-
Straight-line rental income accrual	*108 534 530*	-	-	-
Property, plant and equipment	4 218 719	-	-	-
New interco loan to Rebosis	-	1 255 295 978	1 255 295 978	1 255 295 978
Leasing commission	879 338	-	-	-
Tenant Installations	368 804	-	-	-
Deferred tax assets	96 817 200	127 020 705	127 020 705	127 020 705
Current assets	**213 875 588**	**-**	**-**	**-**
Trade and other receivables	14 311 494	-	-	-
Cash and cash equivalents	-	-	-	-
Deposit account	199 564 094	-	-	-
Total assets	**1 674 694 178**	**1 382 316 684**	**1 382 316 684**	**1 382 316 684**
Equity and liabilities				
Equity	**7 173 435**	**(95 600 931)**	**(113 952 997)**	**(134 317 419)**
Stated capital and share premium	154 445 063	197 099 698	197 099 698	197 099 698
Retained income/(accumulated losses)	(147 271 628)	(292 700 629)	(311 052 695)	(331 417 117)
Non-current liabilities (prefiling)	**135 453 146**	**135 453 146**	**135 453 146**	**135 453 146**
Loans from group entities	135 453 146	135 453 146	135 453 146	135 453 146
Current liabilities (prefiling)	**1 303 020 783**	**-**	**-**	**-**
Interest-bearing borrowings	1 243 723 646	-	-	-
Deferred payment liability	-	-	-	-
Trade and other payables	58 458 729	-	-	-
Allowance for Losses	838 408	-	-	-
Non-current liabilities (post BR plan acceptance)	**-**	**-**	**-**	**-**
Current liabilities (BR plan acceptance)	**229 046 814**	**1 274 811 303**	**1 293 163 368**	**1 313 527 791**
Current LSC accounts	42 654 635	-	-	-
New interco loan from Rebosis	-	1 176 070 480	1 176 070 480	1 176 070 480
PCF overdraft	186 392 179	-	-	-
Exit overdraft	-	98 740 823	117 092 889	137 457 311
Reinstated debt (post BR plan acceptance)	**-**	**67 653 166**	**67 653 166**	**67 653 166**
Total liabilities	**1 667 520 743**	**1 477 917 615**	**1 496 269 680**	**1 516 634 103**
Total equity and liabilities	**1 674 694 178**	**1 382 316 684**	**1 382 316 684**	**1 382 316 684**

<u>Cash flow statement</u>	*FY 2023*	*FY 2024*	*FY 2025*	*FY 2026*
	31 Aug 2023	*31 Aug 2024*	*31 Aug 2025*	*31 Aug 2026*
Net cash inflow/(outflow) from operating activities	(178 501 723)	90 031 845	(18 352 066)	(20 364 423)
Net cash (outflow)/inflow from investing activities	(12 998 095)	1 252 915 489	-	-
Net cash (outflow)/inflow from financing activities	186 392 179	(1 441 688 157)	-	-
Net cash (outflow)/inflow from emergence from business rescue	-	98 740 823	18 352 066	20 364 423
Net increase/(decrease) in cash and cash equivalents	**(5 107 639)**	**-**	**-**	**-**
Cash and cash equivalents at the end of the year	**(0)**	**(0)**	**(0)**	**(0)**