

INTERIM REPORT 2019



OASIS CRESCENT PROPERTY FUND

INVESTING IN YOUR TOMORROW

info@oasiscrescent.com | www.oasiscrescent.com



CORPORATE INFORMATION

OASIS CRESCENT PROPERTY FUND

A property fund created under the Oasis Crescent Property Trust Scheme registered in terms of the Collective Investment Schemes Control Act (Act 45 of 2002)

having REIT status with the JSE Limited

Share code: OAS

ISIN: ZAE000074332

(“OCPF” or “the Fund”)

Registered office of OCPF

Oasis House
 96 Upper Roodebloem Road
 University Estate
 Cape Town, 7925
 (PO Box 1217, Cape Town, 8000)

Date of Incorporation: 23 November 2005

Place of incorporation: Pretoria, RSA

Trustee

FirstRand Bank Limited
 (Registration number 1929/001225/08)
 3 First Place Bank City
 Cnr Simmonds & Jeppe Street
 Johannesburg, 2001
 (PO Box 7713, Johannesburg, 2000)

Manager

Oasis Crescent Property Fund Managers Limited
 (Registration number 2003/012266/06)

Principal office of the manager

Oasis House
 96 Upper Roodebloem Road
 University Estate
 Cape Town, 7925
 (PO Box 1217, Cape Town, 8000)

Transfer secretaries

Computershare Investor Services Proprietary
 Limited
 (Registration number 2004/003647/07)
 Rosebank Towers
 15 Biermann Avenue
 Rosebank
 2196
 (PO Box 61051, Marshalltown, 2107)

Directors and company secretary of the manager**Directors:**

M S Ebrahim* (Executive Chairman)

N Ebrahim*

M Swingler* (Financial Director)

Z Ebrahim*

Dr Y Mahomed+

AA Ebrahim+

E Mohamed+

A Mayman+

* executive

+ independent non-executive

Designated advisor

PSG Capital Proprietary Limited
 (Registration number 2006/015817/07)
 1st Floor
 Ou Kollege Building
 35 Kerk Street
 Stellenbosch, 7600
 (PO Box 7403, Stellenbosch, 7599)

and

2nd Floor
 11 Alice Lane
 Sandhurst
 Sandton, 2196
 (PO Box 650957, Benmore, 2010)

Company secretary:

N Ebrahim (B.Soc.Sc., B.Proc.)



MANAGER'S REPORT

1. INTRODUCTION

The Oasis Crescent Property Fund is a well-diversified REIT invested in South African direct property investments and high quality global listed REITs. The Fund invests in the best global cities and the highest quality properties without the use of leverage. The Fund is focused on meeting all the tenants needs and maintaining world class facilities. This low risk philosophy has kicked in despite the weak economic environment, weak property fundamentals and high interest rates, with the Fund having delivered a total return to unitholders of 6.6% over the past year relative to - 2.7% for the SAPY Index and 8.1% per annum over the past three years relative to - 3.5% per annum for the SAPY Index.

The objective of the Manager is to protect and grow the real wealth of investors by providing sustainable growth in Net Asset Value and delivering a consistent income stream that has potential to grow. This objective is achieved through our diversification strategy and the active management of the direct property portfolio as covered in more detail under the Portfolio Overview section below. Our focused approach has delivered significant real wealth creation for investors with an annualised total unitholder return of 12.3% relative to annualised inflation of 5.8% since inception, resulting in a real return of 6.5%. The Fund's annualised total intrinsic value return is 12.5% per annum since inception.

| Cumulative returns | | Figures in % | | | | | | | | |
|------------------------|-----------------|--------------|--------|--------|--------|--------|--------|--------|--------|--------|
| | | HY2020 | HY2019 | FY2019 | FY2018 | FY2017 | FY2016 | FY2015 | FY2014 | FY2013 |
| | Since Inception | | | | | | | | | |
| Unitholder return | 400.6 | 400.6 | N/A | 382.9 | 349.7 | 321.1 | 286.3 | 227.3 | 165.3 | 125.9 |
| Intrinsic value return | 409.7 | 409.7 | N/A | 387.7 | 334.7 | 312.2 | 302.8 | 248.7 | 194.6 | 161.0 |
| Inflation | 117.1 | 117.1 | N/A | 111.4 | 103.1 | 95.2 | 83.7 | 71.7 | 65.2 | 56.0 |
| Annual Returns | | | | | | | | | | |
| | Since Inception | | | | | | | | | |
| Unitholder return | 12.3 | 3.7 | 4.6 | 7.4 | 6.8 | 9.0 | 18.0 | 23.4 | 17.4 | 10.7 |
| Intrinsic value return | 12.5 | 4.5 | 8.0 | 12.2 | 5.4 | 2.3 | 15.5 | 18.4 | 12.9 | 16.4 |
| Inflation | 5.8 | 2.7 | 2.5 | 4.1 | 4.0 | 6.3 | 7.0 | 3.9 | 5.9 | 5.9 |
| Market Price | | 2,125 | 2,100 | 2,100 | 2,060 | 2,025 | 1,950 | 1,750 | 1,500 | 1,350 |
| NAV | | 2,245 | 2,168 | 2,198 | 2,059 | 2,050 | 2,101 | 1,919 | 1,706 | 1,587 |

Note: The since inception returns are from November 2005

2. MARKET OVERVIEW

The global macro environment remains tough, restrained by Trade Wars and low confidence, though central banks and fiscal authorities are responding. The Fourth Industrial Revolution continues to create both challenges and opportunities, which we remain well-positioned for. It is negative for the retail and office property sectors while it is very positive for logistics and data centers due to the secular increase in demand.

The South African economy has been sluggish for the last decade, and whilst there is scope for a boost from lower interest rates, fiscal space remains constrained. The local property market presents a number of challenges, such as an oversupply of retail and office space and higher occupancy costs driven by rising utility costs. South African REITs with high levels of debt are facing significant pressure on distributions due to declining rental income and property values. It is evident that a number of South African REITs cannot cover their distributions from operating cash flows and are funding a portion of their distributions from debt. With no debt and cash on the balance sheet, we remain well-positioned for these challenges and the potential opportunities they present.

3. PORTFOLIO OVERVIEW

| Assets Employed | HY2020 | | HY2019 | | FY2019 | |
|-----------------------------------|--------------|------------|--------------|------------|--------------|------------|
| | (R'mil) | % | (R'mil) | % | (R'mil) | % |
| Direct Property | 742 | 50 | 703 | 51 | 740 | 52 |
| Global Investments | 555 | 38 | 476 | 35 | 507 | 35 |
| Cash, SA Investments and other | 182 | 12 | 199 | 14 | 181 | 13 |
| Total | 1 479 | 100 | 1 378 | 100 | 1 428 | 100 |
| Period end ZAR/US\$ exchange rate | 15.18 | | 14.17 | | 14.42 | |

The Fund has focused on building a portfolio with a combination of high quality direct property investments and global listed REITs with properties located in the major global cities, which adds geographic and currency diversification. The direct property portfolio is primarily focused on the Western Cape and the Industrial / Logistics sector. A conditional offer is in place for the disposal of Jagger Road which provides an opportunity to recycle capital into opportunities aligned to the Fund's strategy.

The global investments consist of the Oasis Crescent Global Property Equity Fund which is well positioned with a focus on REITs with the best quality assets and balance sheets. The Cash and other listed SA Investments provide flexibility for the Fund to pursue growth opportunities. Investment actions during this period were focused on disposing of SA listed investments and the reinvestment of the proceeds in global investments while the Rand was strong. While this has already started benefiting growth in NAV, it does dilute the distributable income over the short term but the Fund will benefit from these actions and see the positive impact going forward. This dilution resulted in the reduction of the distribution by approximately 2% during this period.

4. REVIEW OF RESULTS AND OPERATIONS

4.1 HIGHLIGHTS FOR THE HALF YEAR TO 30 SEPTEMBER 2019

- Intrinsic value return of 12.5% per annum since inception (compared to annualised inflation of 5.8% per annum)
- Positive momentum with recycling into higher growth opportunities within the South African direct property portfolio
- Upside from additional offshore investment which will contribute to distributable income going forward
- Distribution including non-permissible income was 52.6 cents per unit relative to 55.0 cents in the prior year corresponding period
- Distribution would have been close to flat year on year after adjusting by approximately 1.0 cents for the investment actions taken and 1.2 cents for additional marketing and security costs incurred to position the Fund to continue to attract high quality tenants

MANAGER'S REPORT

| | HY2020 | HY2019 | FY2019 |
|--|--------|--------|--------|
| Distribution per unit including non-permissible income (cents) | 52.6 | 55.0 | 112.8 |
| Distribution per unit excluding non-permissible income (cents) | 52.2 | 54.5 | 111.9 |
| Property portfolio valuation (R m) | 742 | 703 | 740 |
| Investments in Offshore Listed Properties (R m) | 555 | 476 | 507 |
| Investments in Local Listed Properties and other current assets (R m) | 30 | 51 | 33 |
| Cash and cash equivalents (R m)* | 152 | 148 | 148 |
| Net asset value per unit (cents) | 2 245 | 2 168 | 2 198 |
| Listed market price at period end (cents) | 2 125 | 2 100 | 2 100 |
| * includes held for trading investments (incl. Oasis Crescent Income Fund - OCINF) | | | |

4.2 RESULTS OVERVIEW

| | HY2020 (R'000) | HY2019 (R'000) | FY2019 (R'000) | HY 2020/2019 % |
|--------------------------------------|-------------------|-------------------|-------------------|----------------------|
| Direct property net income | 24 375 | 24 388 | 49 624 | 0 |
| Global Investment Income | 6 970 | 5 959 | 13 396 | 17 |
| Cash and Local Investment Income | 5 785 | 6 755 | 13 189 | (14) |
| Shared expense | (3 879) | (3 708) | (7 508) | 5 |
| Distributable Income incl NPI | 33 251 | 33 394 | 68 701 | 0 |
| Average ZAR/US\$ exchange rate | 14.53 | 13.96 | 13.81 | 4 |

The Fund remains focused on delivering operational excellence and lease-up of the portfolio. During the period, the Fund made good progress with leasing and improving tenant quality. In particular, the conclusion of a lease with Clicks at The Ridge@Shallcross towards the end of this reporting period will benefit direct property income going forward. Cost management contributed positively towards a flat direct property net income in a tough market environment. The direct property net income was impacted by additional marketing and security costs, which amounted to R0.73 million during this period.

The investment income earned from the global investments increased over the period and benefited from additional investment funded from the disposal of SA listed investments. The global investment income also benefited from the average Rand to the US\$ being some 4% weaker than the prior year corresponding period. The local investment income was lower due to the disposal of the SA listed investments. The shared expenses of the Fund were well controlled and increased by only 5%.

MANAGER'S REPORT

4.3 DIRECT PROPERTY PORTFOLIO CHARACTERISTICS

I. GEOGRAPHICAL PROFILE *

| | Rentable Area | | Revenue HY2020 | | Revenue HY2019 | | Revenue FY2019 | |
|---|------------------------|------------|----------------|------------|----------------|------------|----------------|------------|
| | Area (m ²) | % | (R'mil) | % | (R'mil) | % | (R'mil) | % |
| Western Cape | 87 546 | 83 | 28.7 | 61 | 27.4 | 63 | 56.4 | 63 |
| KwaZulu-Natal | 17 607 | 17 | 18.2 | 39 | 16.0 | 37 | 32.9 | 37 |
| Total - Direct Property (excl straight lining) | 105 153 | 100 | 46.9 | 100 | 43.4 | 100 | 89.3 | 100 |

* Note: Revenue includes recoveries and excludes leasing incentives

| | Rentable Area | | Net Property Income HY2020 | | Net Property Income HY2019 | | Net Property Income FY2019 | |
|--------------------------------|------------------------|------------|----------------------------|------------|----------------------------|------------|----------------------------|------------|
| | Area (m ²) | % | (R'mil) | % | (R'mil) | % | (R'mil) | % |
| Western Cape | 87 546 | 83 | 18.6 | 76 | 19.1 | 78 | 33.5 | 68 |
| KwaZulu-Natal | 17 607 | 17 | 5.8 | 24 | 5.3 | 22 | 16.1 | 32 |
| Total - Direct Property | 105 153 | 100 | 24.4 | 100 | 24.4 | 100 | 49.6 | 100 |

The exposure of the direct property portfolio to the Western Cape is 61% based on Revenue and the KwaZulu-Natal exposure is 39%. Using Net Property Income, the Western Cape exposure is 76% and the KwaZulu-Natal exposure is 24%.

II. SEGMENTAL PROFILE

| Segment | Rentable area (m ²) | HY2020 | | HY2019 | | FY2019 | |
|--------------|---------------------------------|--|--|--|--|--|--|
| | | Average rental per m ² for the period | Average rental escalation per m ² (%) | Average rental per m ² for the period | Average rental escalation per m ² (%) | Average rental per m ² for the period | Average rental escalation per m ² (%) |
| Retail | 24 187 | 122 | 8 | 110 | 7 | 111 | 7 |
| Office | 7 629 | 144 | 8 | 129 | 8 | 139 | 8 |
| Industrial | 73 337 | 35 | 7 | 35 | 7 | 36 | 8 |
| TOTAL | 105 153 | | | | | | |

The average retail and office rentals have increased in line with annual escalations while the average industrial rentals remained flat.

MANAGER'S REPORT

III. VACANCY PROFILE

Vacancy as a % of Total Rentable Area

| Excluding property under offer | HY2020 | HY2019 | FY2019 |
|--------------------------------|------------|------------|-------------|
| Retail | 2.5 | 0.4 | 1.9 |
| Office | 0.0 | 0.0 | 0.0 |
| Industrial | 7.1 | 6.7 | 12.9 |
| | 9.6 | 7.2 | 14.9 |

| Including property under offer | HY2020 | HY2019 | FY2019 |
|--------------------------------|-------------|------------|-------------|
| Retail | 2.2 | 0.4 | 1.9 |
| Office | 0.0 | 0.0 | 0.0 |
| Industrial | 12.8 | 6.7 | 12.9 |
| | 15.0 | 7.2 | 14.9 |

Vacancy as a % of Total Rental Income

| Excluding property under offer | HY2020 | HY2019 | FY2019 |
|--------------------------------|------------|------------|-------------|
| Retail | 4.2 | 0.8 | 2.8 |
| Office | 0.0 | 0.0 | 0.0 |
| Industrial | 4.8 | 2.8 | 8.6 |
| | 9.0 | 3.6 | 11.4 |

| Including property under offer | HY2020 | HY2019 | FY2019 |
|--------------------------------|-------------|------------|-------------|
| Retail | 3.8 | 0.8 | 2.8 |
| Office | 0.0 | 0.0 | 0.0 |
| Industrial | 8.8 | 2.8 | 8.6 |
| | 12.6 | 3.6 | 11.4 |

In the retail sector, there are strategic vacancies to provide the flexibility to create larger spaces for high quality national tenants which improves the quality of the tenant and lease expiry profile further. The Industrial vacancy will reduce to 4.8% of rental income once the disposal of the property under offer is concluded.

IV. LEASE EXPIRY PROFILE

| Lease Expiry Profile | HY2020 | | HY2019 | | FY2019 | |
|--------------------------|---------------|-----------|---------------|-----------|---------------|-----------|
| | Rental Area % | Revenue % | Rental Area % | Revenue % | Rental Area % | Revenue % |
| - Within 1 year | 30 | 22 | 21 | 20 | 15 | 16 |
| - Within 2 years | 12 | 15 | 27 | 16 | 26 | 17 |
| - Within 3 years | 10 | 24 | 9 | 12 | 16 | 30 |
| - Within 4 years | 11 | 14 | 9 | 22 | 1 | 2 |
| - Within 5 or more years | 37 | 25 | 34 | 30 | 42 | 35 |
| | 100 | 100 | 100 | 100 | 100 | 100 |

The lengthening of the lease expiry profile remains a high priority for the team. The new long term lease with Clicks at The Ridge@Shallcross is not yet reflected as at 30 September 2019 and will further improve the lease expiry profile as it comes into effect from 1 November 2019.

V. TENANT PROFILE

| | HY2020 (%) | HY2019 (%) | FY2019 (%) |
|--|------------|------------|------------|
| A - Large Nationals, large listed, large franchisees, multi-nationals and government | 87 | 86 | 87 |
| B - Nationals, listed, franchisees and medium to large professional firms | 5 | 5 | 4 |
| C - Other | 8 | 9 | 9 |
| TOTAL | 100 | 100 | 100 |

**Note: Tenants are classified as large or major ("A" grade) or medium to large ("B" grade) based on their financial soundness, profile and global or national footprint.

The Fund has a high exposure of 87% to A grade tenants which include multi-national, large national and government tenants.

4.4 INVESTMENT PORTFOLIO CHARACTERISTICS

The Oasis Crescent Global Equity Fund is focused on global REITs with high quality properties and superior balance sheets that are well positioned to outperform in a normalising interest rate environment.

The Fund displays very attractive valuation characteristics with an average cash flow yield of 6.4% and dividend yield of 4.5% which offers value relative to the average bond yield of 1.9% and inflation at 1.8%.

The Fund invests its liquid reserves in the Oasis Crescent Income Fund which provides competitive, Shariah compliant income and flexibility to take advantage of opportunities.

5. OUTLOOK

The focus remains on excellence in the execution of the property basics which include the continuous improvement of the tenant mix and lease expiry profile and ensuring that properties are maintained at the highest standards to deliver sustainable income into perpetuity. The Fund is well positioned due to its high exposure to the Western Cape and the Industrial / Logistics sector and the diversification from its exposure to global REITs with the best quality assets and balance sheets.

The Fund and its strategic partner continue to assess logistics and mixed use development opportunities in the Western Cape and the accumulated cash and liquid reserves provide the flexibility to take advantage of opportunities. Management is confident in the strategy of the Fund.

6. ADDITIONAL INFORMATION

Property management

Property management is outsourced to the Manager and external service providers. The amount paid to the Manager was R0.789 million (HY2019: R0.739 million)

Service charge

The service charge is equal to 0.5% per annum of the Fund's market capitalization and borrowing facilities based on the average daily closing prices of the units. The amount paid to the Manager was R3.338 million (HY2019: R3.103 million)

Units in issue

As at 30 September 2019 the number of units in issue was 63 650 278 (HY2019: 61 219 094)

| Unitholders' holding more than 5% of issued units as at 30 September 2019: | | |
|---|------------------------|--------------------|
| NAME | NUMBER OF UNITS | HOLDING (%) |
| Oasis Crescent Equity Fund | 10 028 090 | 16 |
| Oasis Crescent Property Company (Pty) Ltd | 7 807 926 | 12 |
| Oasis Crescent Balanced Progressive Fund of Funds | 7 381 515 | 12 |
| Oasis Crescent Pension Annuity Stable Fund | 6 171 305 | 10 |
| BNP Paribas Securities | 4 199 301 | 7 |
| Oasis Crescent Balanced Stable Fund of Funds | 3 935 337 | 6 |
| Oasis Crescent Retirement Annuity High Equity Fund | 3 662 711 | 6 |
| TOTAL | 43 186 185 | 69 |

Shareholding in Oasis Crescent Property Fund Managers (OCPFM)

OCPFM is 100% owned by Oasis Group Holdings (Pty) Ltd.

Changes to the Board

Zahrah Ebrahim was appointed as a director on 29 April 2019.

INDEPENDENT AUDITOR'S REVIEW REPORT ON CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

To the unitholders of Oasis Crescent Property Fund

We have reviewed the condensed consolidated interim financial statements of Oasis Crescent Property Fund, which comprise the condensed consolidated statement of financial position as at 30 September 2019 and the related condensed consolidated statements of comprehensive income, changes in unitholders' funds and cash flows for the six-month then ended, and selected explanatory notes.

Directors' Responsibility for the Condensed Consolidated Financial Statements

The directors of the management company, Oasis Crescent Property Fund Managers Limited, are responsible for the preparation and presentation of these condensed consolidated interim financial statements in accordance with the requirements of the International Financial Reporting Standard, IAS 34 Interim Financial Reporting, the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee and Financial Pronouncements as issued by the Financial Reporting Standards Council, the Collective Investments Schemes Control Act, 2002, the JSE Limited Listings Requirements for interim reports, and for such internal control as the directors determine is necessary to enable the preparation of interim financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

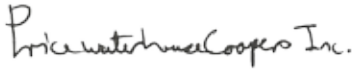
Our responsibility is to express a conclusion on these interim financial statements. We conducted our review in accordance with International Standard on Review Engagements (ISRE) 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity, which applies to a review of historical financial information performed by the independent auditor of the entity. ISRE 2410 requires us to conclude whether anything has come to our attention that causes us to believe that the financial statements are not prepared in all material respects in accordance with the applicable financial reporting framework. This standard also requires us to comply with relevant ethical requirements.

A review of interim financial statements in accordance with ISRE 2410 is a limited assurance engagement. We perform procedures, primarily consisting of making inquiries of management and others within the entity, as appropriate, and applying analytical procedures, and evaluate the evidence obtained.

The procedures performed in a review are substantially less than those performed in an audit conducted in accordance with International Standards on Auditing. Accordingly, we do not express an audit opinion on these financial statements.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed consolidated interim financial statements of Oasis Crescent Property Fund for the six months ended 30 September 2019 are not prepared, in all material respects, in accordance with the requirements of the International Financial Reporting Standard, (IAS) 34 Interim Financial Reporting, the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee and Financial Pronouncements as issued by the Financial Reporting Standards Council, the Collective Investments Schemes Control Act, 2002 and the JSE Limited Listings Requirements for interim reports.



PricewaterhouseCoopers Inc.
Director: Paul Liedeman
Registered Auditor
Cape Town
22 October 2019



CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION as at 30 September 2019

| | Reviewed 30 September 2019 R'000 | Reviewed 30 September 2018 R'000 | Audited 31 March 2019 R'000 |
|---|---|---|--------------------------------------|
| ASSETS | | | |
| Non-current assets | 1,267,936 | 1,208,895 | 1,253,278 |
| Investment properties | 691,956 | 683,287 | 720,074 |
| Property, plant and equipment | 201 | 195 | 111 |
| Right-of-use asset | 108 | - | - |
| Straight-line lease accrual | 17,249 | 18,287 | 18,042 |
| Financial assets at fair value through profit or loss | 558,422 | 507,126 | 515,051 |
| Current assets | 211,434 | 168,649 | 174,810 |
| Investment property held-for-sale | 30,000 | - | - |
| Trade receivables | 4,950 | 3,733 | 3,912 |
| Other receivables | 9,149 | 7,263 | 8,775 |
| Straight-line lease accrual | 3,030 | 930 | 1,859 |
| Other financial assets at fair value through profit or loss | 152,298 | 142,989 | 146,154 |
| Other short-term financial assets | 8,814 | 8,763 | 8,699 |
| Cash and cash equivalents | 3,193 | 4,971 | 5,411 |
| Total assets | 1,479,370 | 1,377,544 | 1,428,088 |
| UNITHOLDERS' FUNDS AND LIABILITIES | | | |
| Unitholders' funds | 1,428,904 | 1,327,442 | 1,373,697 |
| Capital of the Fund | 883,735 | 831,530 | 858,531 |
| Retained income | 36,390 | 27,792 | 35,109 |
| Fair value movement on financial assets reserve | 229,234 | 219,634 | 200,512 |
| Other reserves | 279,545 | 248,486 | 279,545 |
| Non-current liabilities | 88 | - | - |
| Lease liability | 88 | - | - |
| Current liabilities | 50,378 | 50,102 | 54,391 |
| Trade payables | 12,776 | 13,477 | 13,364 |
| Accruals | 457 | 583 | 518 |
| Other payables | 1,852 | 1,319 | 3,310 |
| Trade payables to related parties | 1,870 | 1,308 | 1,187 |
| Lease liability | 23 | - | - |
| Unitholders for distribution | 33,253 | 33,373 | 35,913 |
| Non-permissible income available for dispensation | 147 | 42 | 99 |
| Total unitholders' funds and liabilities | 1,479,370 | 1,377,544 | 1,428,088 |



CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

for the 6 months ended 30 September 2019

| | Reviewed 6 months to 30 September 2019 | Reviewed 6 months to 30 September 2018 | Audited 12 months to 31 March 2019 |
|---|---|---|---|
| | R'000 | R'000 | R'000 |
| Income | 58,557 | 56,952 | 116,225 |
| Rental and related income | 45,579 | 42,782 | 87,245 |
| Income from investments (excluding non-permissible income and fair value adjustments) | 12,600 | 12,631 | 26,757 |
| Straight-lining of lease income | 378 | 1,539 | 2,223 |
| Expenses | 25,083 | 22,213 | 45,146 |
| Property expenses | 21,204 | 18,394 | 37,467 |
| Service charges | 3,320 | 3,103 | 6,343 |
| Other operating expenses | 559 | 716 | 1,336 |
| Net income from rentals and investments | 33,474 | 34,739 | 71,079 |
| Fair value adjustment to investment properties excluding straight-lining of lease income | (378) | (1,539) | 28,836 |
| Fair value adjustment to investment properties | - | - | 31,059 |
| Straight-lining of lease income | (378) | (1,539) | (2,223) |
| Profit for the period before fair value adjustments to financial assets and realised gains | 33,096 | 33,200 | 99,915 |
| Fair value adjustments and realised gains to investments | 30,003 | 67,251 | 55,446 |
| Fair value adjustments on financial assets at fair value through profit or loss | 28,722 | 64,661 | 53,583 |
| Fair value adjustments on other financial assets at fair value through profit or loss | 1,192 | 2,441 | 1,722 |
| Fair value adjustments on other short-term financial assets | 89 | 149 | 141 |
| Operating profit for the period | 63,099 | 100,451 | 155,361 |
| Finance costs | 5 | - | - |
| Net profit before non-permissible income | 63,094 | 100,451 | 155,361 |
| Net non-permissible income | (100) | (118) | (155) |
| Non-permissible investment income | 160 | 194 | 386 |
| Non-permissible income dispensed | (260) | (312) | (541) |
| Total Comprehensive Income for the period | 62,994 | 100,333 | 155,206 |
| Basic earnings per unit (cents) | 99.7 | 165.2 | 252.9 |

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

for the 6 months ended 30 September 2019

| | Reviewed 6 months to 30 September 2019 R'000 | Reviewed 6 months to 30 September 2018 R'000 | Audited 12 months to 31 March 2019 R'000 |
|---|--|--|--|
| Additional information: | | | |
| Headline earnings and distribution income reconciliation | | | |
| Basic earnings before non-permissible income adjustment | 63,094 | 100,451 | 155,361 |
| Non-permissible investment income | 160 | 194 | 386 |
| Basic earnings after non-permissible income adjustment | 63,254 | 100,645 | 155,747 |
| Non-permissible income dispensed | (260) | (312) | (541) |
| Basic earnings | 62,994 | 100,333 | 155,206 |
| Adjusted for: | | | |
| Fair value adjustment to investment properties | 378 | 1,539 | (28,836) |
| Headline earnings | 63,372 | 101,872 | 126,370 |
| Less: Fair value adjustments on financial assets at fair value through profit or loss | (28,722) | (64,661) | (53,583) |
| Less: Fair value adjustments on other financial assets at fair value through profit or loss | (1,192) | (2,441) | (1,722) |
| Less: Fair value adjustments on other short-term financial assets | (89) | (149) | (141) |
| Less: Straight-line lease accrual | (378) | (1,539) | (2,223) |
| Distributable income excluding non-permissible income | 32,991 | 33,082 | 68,701 |
| Distribution received in advance | 243 | 270 | 547 |
| Income distributed | 33,234 | 33,352 | 69,249 |
| Basic earnings and diluted earnings per unit (cents) | 99.7 | 165.2 | 252.9 |
| Headline earnings and diluted headline earnings per unit (cents) | 100.3 | 167.8 | 205.9 |
| Distribution per unit including non-permissible income (cents) | 52.6 | 55.0 | 112.8 |
| Distribution per unit excluding non-permissible income (cents) | 52.2 | 54.5 | 111.9 |
| Weighted average units in issue | 63,185,101 | 60,723,220 | 61,379,349 |
| Units in issue at the end of the period | 63,650,278 | 61,219,094 | 62,484,150 |
| Net asset value per unit (cents) | 2,245 | 2,168 | 2,198 |



CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN UNITHOLDERS' FUNDS for the 6 months ended 30 September 2019

| | Capital of the Fund R'000 | Fair value movements on financial assets reserve R'000 | Other reserves R'000 | Retained income R'000 | Total R'000 |
|--|---------------------------------|--|----------------------------|-----------------------------|------------------|
| Balance at 31 March 2018 | 806,713 | - | 248,486 | 180,175 | 1,235,374 |
| Total Comprehensive Income for the period ended 30 September 2018 | - | - | - | 100,333 | 100,333 |
| Issue of units | 25,249 | - | - | - | 25,249 |
| Transaction costs for issue of new units | (162) | - | - | - | (162) |
| Distribution received in advance | (270) | - | - | 270 | - |
| Distribution to unitholders | - | - | - | (33,352) | (33,352) |
| Fair value movements on financial assets transferred to non distributable reserve | - | 219,634 | - | (219,634) | - |
| Balance at 30 September 2018 | 831,530 | 219,634 | 248,486 | 27,792 | 1,327,442 |
| Total Comprehensive Income for the period ended 31 March 2019 | - | - | - | 54,873 | 54,873 |
| Issue of units | 27,427 | - | - | - | 27,427 |
| Transaction costs for issue of new units | (149) | - | - | - | (149) |
| Fair value adjustment on investment properties transferred to non distributable reserve | - | - | 31,059 | (31,059) | - |
| Fair value movements on financial assets transferred to non distributable reserve | - | (11,757) | - | 11,757 | - |
| Realised losses on sale of listed equity investment transferred to retained income | - | (7,365) | - | 7,365 | - |
| Distribution received in advance | (277) | - | - | 277 | - |
| Distribution to unitholders | - | - | - | (35,896) | (35,896) |
| Balance at 31 March 2019 | 858,531 | 200,512 | 279,545 | 35,109 | 1,373,697 |
| Total Comprehensive Income for the period ended 30 September 2019 | - | - | - | 62,994 | 62,994 |
| Issue of units | 25,631 | - | - | - | 25,631 |
| Transaction costs for issue of new units | (184) | - | - | - | (184) |
| Distribution received in advance | (243) | - | - | 243 | - |
| Distribution to unitholders | - | - | - | (33,234) | (33,234) |
| Fair value movements on financial assets transferred to non distributable reserve | - | 35,648 | - | (35,648) | - |
| Realised losses on sale of listed equity investment transferred to retained income | - | (6,926) | - | 6,926 | - |
| Balance at 30 September 2019 | 883,735 | 229,234 | 279,545 | 36,390 | 1,428,904 |

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

for the 6 months ended 30 September 2019

| | Reviewed 6 months to 30 September 2019 | Reviewed 6 months to 30 September 2018 | Audited 12 months to 31 March 2019 |
|--|---|---|--|
| | R'000 | R'000 | R'000 |
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Net profit for the period | 62,994 | 100,333 | 155,206 |
| Adjusted for: | | | |
| Non-permissible investment income received | (160) | (194) | (386) |
| Finance costs | 5 | - | - |
| Depreciation | 36 | 96 | 180 |
| Provision for receivables impairment | 673 | 669 | 136 |
| Amortisation of right-of-use asset | 14 | - | - |
| Straight-line lease accrual | (378) | (1,539) | (2,223) |
| Movement in lease incentives | 1,069 | 638 | (1,507) |
| Fair value adjustments on financial assets at fair value through profit or loss | (28,722) | (64,661) | (53,583) |
| Fair value adjustment on other financial assets at fair value through profit or loss and short-term financial assets | (1,281) | (2,590) | (1,863) |
| Fair value adjustment on investment property, excluding straight-lining of lease income | 378 | 1,539 | (28,836) |
| Net operating cash flow before changes in working capital | 34,628 | 34,291 | 67,124 |
| (Increase)/decrease in current assets | | | |
| Trade receivables | (1,711) | (305) | 49 |
| Other receivables | (374) | (160) | (1,672) |
| (Decrease)/increase in current liabilities | | | |
| Trade payables | (588) | 1,903 | 1,790 |
| Accruals | (61) | 135 | 70 |
| Other payables | (1,458) | (931) | 1,060 |
| Trade payables to related parties | 683 | 387 | 266 |
| Cash generated from operations | 31,119 | 35,320 | 68,687 |
| Non-permissible investment income received | 160 | 194 | 386 |
| Unitholders for distribution | (10,263) | (4,744) | (10,673) |
| Non-permissible income | 48 | 28 | 85 |
| Net cash inflow from operating activities | 21,063 | 30,798 | 58,485 |



CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS for the 6 months ended 30 September 2019

| | Reviewed 6 months to 30 September 2019 | Reviewed 6 months to 30 September 2018 | Audited 12 months to 31 March 2019 |
|--|---|---|--|
| | R'000 | R'000 | R'000 |
| <i>continued</i> | | | |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| Additions to property, plant and equipment | (118) | - | - |
| Acquisition of financial assets at fair value through profit or loss | (16,485) | (11,047) | (47,660) |
| Acquisition of other financial assets at fair value through profit or loss | (4,953) | (2,029) | (5,913) |
| Capital expenditure on investment properties | (3,329) | (16,467) | (20,734) |
| Proceeds from disposal of financial assets at fair value through profit or loss | 1,838 | 1,139 | 18,747 |
| Proceeds from disposal of other short term financial assets at fair value through profit or loss | - | 734 | 1,108 |
| Acquisition of other short-term financial assets | (35) | (982) | (1,298) |
| Net cash outflow from investing activities | (23,082) | (28,652) | (55,750) |
| CASH FLOWS FROM FINANCING ACTIVITIES | | | |
| Payment of lease liabilities | (15) | - | - |
| Transaction costs for issue of new units | (184) | (162) | (311) |
| Net cash outflow from financing activities | (199) | (162) | (311) |
| NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS | (2,218) | 1,984 | 2,424 |
| CASH AND CASH EQUIVALENTS | | | |
| At beginning of period | 5,411 | 2,987 | 2,987 |
| At end of period | 3,193 | 4,971 | 5,411 |

SEGMENT INFORMATION

for the 6 months ended 30 September 2019

| | Retail | Offices | Industrial | Investments | Corporate | Total |
|---|---------------|--------------|---------------|---------------|----------------|---------------|
| | R '000 | | | | | |
| Segment revenue | | | | | | |
| <u>Property income</u> | | | | | | |
| Rental income | 14,275 | 6,564 | 12,755 | - | - | 33,594 |
| Recoveries | 7,457 | 1,309 | 3,219 | - | - | 11,985 |
| <u>Income from investments excluding non-permissible income</u> | | | | | | |
| Dividend income - offshore | - | - | - | 7,006 | - | 7,006 |
| Permissible investment income - domestic | - | - | - | 5,594 | - | 5,594 |
| | <u>21,732</u> | <u>7,873</u> | <u>15,974</u> | <u>12,600</u> | <u>-</u> | <u>58,179</u> |
| Segment expense | | | | | | |
| Property expenses | 13,224 | 2,617 | 4,690 | - | - | 20,531 |
| Provision for receivables impairment | 546 | 39 | 88 | - | - | 673 |
| Service charges | - | - | - | - | 3,320 | 3,320 |
| Other operating expenses | - | - | - | 110 | 449 | 559 |
| | <u>13,770</u> | <u>2,656</u> | <u>4,778</u> | <u>110</u> | <u>3,769</u> | <u>25,083</u> |
| Segment result | | | | | | |
| Profit for the period before fair value adjustments to financial assets and realised gains | 7,962 | 5,217 | 11,196 | 12,490 | (3,769) | 33,096 |
| Net finance income | | | | | | |
| Non-permissible investment income received | - | - | - | 5 | 155 | 160 |
| Finance costs | - | - | - | - | (5) | (5) |
| NPI Dispensed | (100) | - | - | (5) | (155) | (260) |
| Net profit/(loss) before straight-line lease income and fair value adjustment to investment properties | <u>7,862</u> | <u>5,217</u> | <u>11,196</u> | <u>12,490</u> | <u>(3,774)</u> | <u>32,991</u> |
| Realised loss on disposal of available-for-sale financial assets | - | - | - | - | - | - |
| Straight-lining of lease income | 278 | 276 | (176) | - | - | 378 |
| Fair value adjustment to financial assets at fair value through profit or loss | - | - | - | 28,722 | - | 28,722 |
| Fair value adjustment on other financial assets at fair value through profit or loss | - | - | - | 1,281 | - | 1,281 |
| Fair value adjustment to investment properties | (278) | (276) | 176 | - | - | (378) |
| Net profit/(loss) after straight-line lease income and fair value adjustment to investment properties | <u>7,862</u> | <u>5,217</u> | <u>11,196</u> | <u>42,493</u> | <u>(3,774)</u> | <u>62,994</u> |



SEGMENT INFORMATION

for the 6 months ended 30 September 2019

| | Retail | Offices | Industrial | Investments | Corporate | Total |
|---|----------------|----------------|----------------|----------------|-----------------|------------------|
| | R '000 | | | | | |
| <i>continued</i> | | | | | | |
| Segment assets | | | | | | |
| Investment properties | 282,818 | 136,529 | 302,609 | - | - | 721,956 |
| Property, plant and equipment | 201 | - | - | - | - | 201 |
| Straight-line lease accrual non-current | 7,601 | 2,641 | 7,007 | - | - | 17,249 |
| Right-of-use asset | - | - | 108 | - | - | 108 |
| Straight-line lease accrual current | 1,318 | 488 | 1,224 | - | - | 3,030 |
| Financial assets at fair value through profit or loss | - | - | - | 558,422 | - | 558,422 |
| Other financial assets at fair value through profit or loss | - | - | - | 152,298 | - | 152,298 |
| Trade receivables | 3,452 | 484 | 1,014 | - | - | 4,950 |
| Other receivables | 1,680 | 541 | 2,176 | 4,626 | 126 | 9,149 |
| Other short-term financial assets | 4,343 | 323 | 4,148 | - | - | 8,814 |
| Cash and cash equivalents | - | - | - | 3,193 | - | 3,193 |
| | <u>301,413</u> | <u>141,006</u> | <u>318,286</u> | <u>718,539</u> | <u>126</u> | <u>1,479,370</u> |
| Segment liabilities | | | | | | |
| Trade payables | 6,817 | 724 | 5,137 | - | 98 | 12,776 |
| Accruals | 69 | 8 | 23 | - | 357 | 457 |
| Other payables | 444 | 2 | 224 | - | 1,182 | 1,852 |
| Trade payables to related parties | 291 | - | 261 | 2 | 1,316 | 1,870 |
| Lease liability - current | - | - | 23 | - | - | 23 |
| Lease liability - non current | - | - | 88 | - | - | 88 |
| Unitholders for distribution | - | - | - | - | 33,253 | 33,253 |
| Non-permissible income available for dispensation | - | - | - | - | 147 | 147 |
| | <u>7,621</u> | <u>734</u> | <u>5,756</u> | <u>2</u> | <u>36,353</u> | <u>50,466</u> |
| Net segment current (liabilities)/assets | <u>1,854</u> | <u>614</u> | <u>1,582</u> | <u>160,115</u> | <u>(36,227)</u> | <u>127,938</u> |
| Capital expenditure | 3,329 | - | - | - | - | 3,329 |

SEGMENT INFORMATION

for the 6 months ended 30 September 2018

| | Retail | Offices | Industrial | Investments | Corporate | Total |
|---|---------------|--------------|---------------|---------------|----------------|----------------|
| | R '000 | | | | | |
| Segment revenue | | | | | | |
| <u>Property income</u> | | | | | | |
| Rental income | 13,682 | 6,090 | 12,016 | - | - | 31,788 |
| Recoveries | 6,634 | 1,247 | 3,113 | - | - | 10,994 |
| <u>Income from investments excluding non-permissible income</u> | | | | | | |
| Dividend income - offshore | - | - | - | 5,959 | - | 5,959 |
| Permissible investment income - domestic | - | - | - | 6,672 | - | 6,672 |
| | <u>20,316</u> | <u>7,337</u> | <u>15,129</u> | <u>12,631</u> | <u>-</u> | <u>55,413</u> |
| Segment expense | | | | | | |
| Property expenses | 11,233 | 2,461 | 4,031 | - | - | 17,725 |
| Provision for receivables impairment | 551 | 31 | 87 | - | - | 669 |
| Service charges | - | - | - | - | 3,103 | 3,103 |
| Other operating expenses | - | - | - | 110 | 606 | 716 |
| | <u>11,784</u> | <u>2,492</u> | <u>4,118</u> | <u>110</u> | <u>3,709</u> | <u>22,213</u> |
| Segment result | | | | | | |
| Profit for the period before fair value adjustments to financial assets and realised gains | 8,532 | 4,845 | 11,011 | 12,521 | (3,709) | 33,200 |
| Net finance income | | | | | | |
| Non-permissible investment income received | - | - | - | 30 | 164 | 194 |
| NPI Dispensed | (118) | - | - | (30) | (164) | (312) |
| Net profit/(loss) before straight-line lease income and fair value adjustment to investment properties | <u>8,414</u> | <u>4,845</u> | <u>11,011</u> | <u>12,521</u> | <u>(3,709)</u> | <u>33,082</u> |
| Straight-lining of lease income | (173) | 761 | 951 | - | - | 1,539 |
| Fair value adjustment to financial assets at fair value through profit or loss | - | - | - | 64,661 | - | 64,661 |
| Fair value adjustment on other financial assets at fair value through profit or loss | - | - | - | 2,590 | - | 2,590 |
| Fair value adjustment to investment properties | 173 | (761) | (951) | - | - | (1,539) |
| Net profit/(loss) after straight-line lease income and fair value adjustment to investment properties | <u>8,414</u> | <u>4,845</u> | <u>11,011</u> | <u>79,772</u> | <u>(3,709)</u> | <u>100,333</u> |



SEGMENT INFORMATION

for the 6 months ended 30 September 2018

| | Retail | Offices | Industrial | Investments | Corporate | Total |
|---|----------------|----------------|----------------|----------------|-----------------|------------------|
| | R '000 | | | | | |
| <i>continued</i> | | | | | | |
| Segment assets | | | | | | |
| Investment properties | 265,532 | 131,159 | 286,596 | - | - | 683,287 |
| Property, plant and equipment | 195 | - | - | - | - | 195 |
| Straight-line lease accrual non-current | 7,339 | 2,766 | 8,182 | - | - | 18,287 |
| Straight-line lease accrual current | 554 | 4 | 372 | - | - | 930 |
| Financial assets at fair value through profit or loss | - | - | - | 507,126 | - | 507,126 |
| Other financial assets at fair value through profit or loss | - | - | - | 142,989 | - | 142,989 |
| Trade receivables | 2,173 | 626 | 934 | - | - | 3,733 |
| Other receivables | 1,328 | 828 | 2,207 | 2,785 | 115 | 7,263 |
| Other short-term financial assets | 4,632 | 86 | 4,045 | - | - | 8,763 |
| Cash and cash equivalents | - | - | - | 4,971 | - | 4,971 |
| | <u>281,753</u> | <u>135,469</u> | <u>302,336</u> | <u>657,871</u> | <u>115</u> | <u>1,377,544</u> |
| Segment liabilities | | | | | | |
| Trade payables | 7,344 | 710 | 5,330 | - | 93 | 13,477 |
| Accruals | 18 | 6 | 22 | - | 537 | 583 |
| Other payables | 654 | 15 | 90 | - | 560 | 1,319 |
| Trade payables to related parties | 291 | 4 | 49 | 54 | 910 | 1,308 |
| Unitholders for distribution | - | - | - | - | 33,373 | 33,373 |
| Non-permissible income available for dispensation | - | - | - | - | 42 | 42 |
| | <u>8,307</u> | <u>735</u> | <u>5,491</u> | <u>54</u> | <u>35,515</u> | <u>50,102</u> |
| Net segment current (liabilities)/assets | <u>(174)</u> | <u>805</u> | <u>1,695</u> | <u>150,691</u> | <u>(35,400)</u> | <u>117,617</u> |
| Capital expenditure | 13,957 | 20 | 2,490 | - | - | 16,467 |



SEGMENT INFORMATION

for the 6 months ended 31 March 2019

| | Retail | Offices | Industrial | Investments | Corporate | Total |
|---|---------------|---------------|---------------|---------------|----------------|----------------|
| | R '000 | | | | | |
| Segment revenue | | | | | | |
| <u>Property income</u> | | | | | | |
| Rental income | 27,491 | 12,643 | 25,435 | - | - | 65,569 |
| Recoveries | 13,464 | 2,140 | 6,072 | - | - | 21,676 |
| <u>Income from investments excluding non-permissible income</u> | | | | | | |
| Dividend income - offshore | - | - | - | 13,395 | - | 13,395 |
| Permissible investment income - domestic | - | - | - | 13,362 | - | 13,362 |
| | <u>40,955</u> | <u>14,783</u> | <u>31,507</u> | <u>26,757</u> | <u>-</u> | <u>114,002</u> |
| Segment expense | | | | | | |
| Property expenses (excluding Provision for receivables impairment) | 23,782 | 5,321 | 8,228 | - | - | 37,331 |
| Provision for receivables impairment | 7 | (6) | 135 | - | - | 136 |
| Service charges | - | - | - | - | 6,343 | 6,343 |
| Other operating expenses | - | - | - | 172 | 1,164 | 1,336 |
| | <u>23,789</u> | <u>5,315</u> | <u>8,363</u> | <u>172</u> | <u>7,507</u> | <u>45,146</u> |
| Straight-lining of lease income | 428 | 863 | 933 | - | - | 2,223 |
| Fair value adjustment to investment properties excluding straight-lining of lease income | 9,341 | 4,215 | 15,280 | - | - | 28,836 |
| Segment result | | | | | | |
| Profit for the period before fair value adjustments to financial assets | <u>26,935</u> | <u>14,545</u> | <u>39,357</u> | <u>26,585</u> | <u>(7,507)</u> | <u>99,915</u> |
| Net finance income | | | | | | |
| Non-permissible investment income received | - | - | - | 55 | 331 | 386 |
| Non-permissible income dispensed | (155) | - | - | (55) | (331) | (541) |
| Net profit/(loss) before straight-line lease income and fair value adjustment to investment properties | <u>26,780</u> | <u>14,545</u> | <u>39,357</u> | <u>26,585</u> | <u>(7,507)</u> | <u>99,760</u> |
| Fair value adjustments on financial assets at fair value through profit or loss | - | - | - | 53,583 | - | 53,583 |
| Fair value adjustments on other financial assets at fair value through profit or loss | - | - | - | 1,722 | - | 1,722 |
| Fair value adjustments on other short-term financial assets | - | - | - | 141 | - | 141 |
| Net profit/(loss) after straight-line lease income and fair value adjustment to investment properties | <u>26,780</u> | <u>14,545</u> | <u>39,357</u> | <u>82,031</u> | <u>(7,507)</u> | <u>155,206</u> |



SEGMENT INFORMATION

for the 12 months ended 31 March 2019

| | Retail | Offices | Industrial | Investments | Corporate | Total |
|---|----------------|----------------|----------------|----------------|-----------------|------------------|
| | R '000 | | | | | |
| <i>continued</i> | | | | | | |
| Segment assets | | | | | | |
| Investment properties | 280,124 | 136,742 | 303,209 | - | - | 720,074 |
| Property, plant and equipment | 111 | - | - | - | - | 111 |
| Straight-line lease accrual non-current | 7,431 | 3,033 | 7,577 | - | - | 18,042 |
| Straight-line lease accrual current | 897 | 22 | 940 | - | - | 1,859 |
| Financial assets at fair value through profit or loss | - | - | - | 515,051 | - | 515,051 |
| Other short-term financial assets | 4,678 | 91 | 3,930 | - | - | 8,699 |
| Trade receivables | 2,719 | 350 | 457 | - | 387 | 3,912 |
| Other receivables | 1,807 | 659 | 2,340 | 3,936 | 33 | 8,775 |
| Other financial assets at fair value through profit or loss | - | - | - | 146,154 | - | 146,154 |
| Cash and cash equivalents | - | - | - | 5,411 | - | 5,411 |
| | <u>297,766</u> | <u>140,898</u> | <u>318,452</u> | <u>670,552</u> | <u>419</u> | <u>1,428,087</u> |
| Segment liabilities | | | | | | |
| Trade payables | 8,023 | 600 | 4,695 | - | 46 | 13,364 |
| Accruals | 37 | 11 | 52 | - | 419 | 519 |
| Other payables | 686 | 1,119 | 952 | - | 553 | 3,310 |
| Trade payables to related parties | 214 | 2 | 333 | 6 | 632 | 1,187 |
| Unitholders for distribution | - | - | - | - | 35,913 | 35,913 |
| Non-permissible income available for dispensation | - | - | - | - | 99 | 99 |
| | <u>8,960</u> | <u>1,732</u> | <u>6,032</u> | <u>6</u> | <u>37,662</u> | <u>54,394</u> |
| Net segment current assets/(liabilities) | <u>1,141</u> | <u>(612)</u> | <u>1,633</u> | <u>155,495</u> | <u>(37,243)</u> | <u>120,413</u> |
| Capital expenditure | 19,716 | 627 | 390 | - | - | 20,734 |

BASIS OF PREPARATION AND ACCOUNTING POLICIES

The condensed consolidated interim financial statements of Oasis Crescent Property Fund ("the Fund" or "OCPF") have been prepared in accordance with International Financial Reporting Standard (IFRS), IAS 34 Interim Financial Reporting, JSE Listings Requirements, the requirements of the Collective Investment Schemes Control Act of 2002, the SAICA Financial Reporting Guides, as issued by the Accounting Practices Committee, and the Financial Reporting Pronouncements, as issued by the Financial Reporting Standards Council. The financial statements are prepared on the historical cost basis as modified by the revaluation of investment properties and financial assets at fair value through profit or loss. The accounting policies and methods of computation applied in this interim report are consistent with the policies as set out in the most recent annual financial statements, which should be read in conjunction with this report, except as set out below. The Fund's external auditor, PricewaterhouseCoopers Inc., has reviewed the financial information set out in this report. Their unqualified review report is included on page 10 and 11 of this report. The operational results of the Fund are not affected by seasonal or cyclical fluctuations.

These condensed reviewed results were compiled by Michael Swingler CA (SA).

CHANGES IN ACCOUNTING POLICIES

This note explains the impact of the adoption of IFRS 16 Leases on OCPF's financial statements and also discloses the new accounting policies that have been applied from 1 April 2019, where they are different to those applied in prior periods.

Impact on the financial statements

OCPF has applied IFRS 16 using the modified retrospective approach and therefore the comparative information has not been restated and continues to be reported under IAS 17 and IFRIC 4.

At inception of a contract, OCPF assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, OCPF assesses whether:

the contract involves the use of an identified asset;

- OCPF has the right to obtain substantially all of the economic benefits from use of the assets; and
- OCPF has the right to direct the use of the asset.

On adoption of IFRS 16, the group recognised lease liabilities in relation to leases which had previously been classified as 'operating leases' under the principles of IAS 17: Leases. These liabilities were measured at the present value of the remaining lease payments, discounted using the lessee's incremental borrowing rate as of 01 April 2019. The weighted average lessee's incremental borrowing rate applied to the lease liabilities on 01 April 2019 was 9.50%.

The associated right-of-use asset for property leases was measured on a retrospective basis as if the new rules had always been applied. The net impact on retained earnings on 01 April 2019 was insignificant and accordingly the opening retained earnings on 01 April 2019 was not adjusted.



Measurement

OCPF recognises a right-of-use asset and lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, OCPF's incremental borrowing rate. Generally OCPF uses its incremental borrowing rate as the discount rate.

The lease liability is subsequently measured using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in OCPF's estimate of the amount expected to be payable under a residual guarantee, or if OCPF changes its assessment of whether it will exercise a purchase, extension or termination option.

The weighted average incremental borrowing rate applied to lease liabilities on 1 April 2019 was 9.50%

The aggregate lease liability recognised in the statement of financial position at 1 April 2019 and the group's operating lease commitment can be reconciled as follows:

| | |
|---|--------------|
| Operating lease commitment at 1 April 2019 | R'000 |
| Discounted using the group's incremental borrowing rate at 9.5% | 149 |
| Liability recognised as at 01 April 2019 | (27) |
| | <u>122</u> |

FAIR VALUE ESTIMATION OF INVESTMENTS

Financial instruments and other assets carried at fair value are valued in terms of IFRS 13.

The fair value of financial instruments traded in active markets (such as available-for-sale securities) is based on quoted market prices at the end of the reporting period.

Specific valuation techniques used to determine fair value include:

- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2: Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived prices)
- Level 3: Inputs for the asset or liability that are not based on observable market data (unobservable inputs)

The Fund transfers assets between levels in the fair value hierarchy on the date that there is a change in the circumstances that give rise to the transfer.

The information below analyses financial assets and financial liabilities, which are carried at fair value, by level of hierarchy as required by IFRS 7 and IFRS 13.

The following table presents the Fund's assets that are measured at fair value at 30 September 2019:

| Assets | Level 1 R'000 | Level 2 R'000 | Level 3 R'000 | Total R'000 |
|--|--------------------------|--------------------------|--------------------------|------------------------|
| Financial assets at fair value through profit or loss | | | | |
| Investment in Oasis Crescent Global Property Equity Fund | - | 475,672 | - | 475,672 |
| Investment in listed property funds | 3,599 | - | - | 3,599 |
| Investment in Oasis Crescent International Property Equity Feeder Fund | - | 79,151 | - | 79,151 |
| Other financial assets at fair value through profit or loss | | | | |
| Investment in Oasis Crescent Income Fund | - | 152,298 | - | 152,298 |
| Other short-term financial assets | | | | |
| Tenant deposits | - | 8,814 | - | 8,814 |
| Investment property | | | | |
| Investment property | - | - | 691,956 | 691,956 |
| Non-current asset held-for-sale | - | - | 30,000 | 30,000 |

The following table presents the Fund's assets that are measured at fair value at 30 September 2018:

| Assets | Level 1 R'000 | Level 2 R'000 | Level 3 R'000 | Total R'000 |
|--|--------------------------|--------------------------|--------------------------|------------------------|
| Financial assets at fair value through profit or loss | | | | |
| Investment in Oasis Crescent Global Property Equity Fund | - | 444,424 | - | 444,424 |
| Investment in listed property funds | 31,031 | - | - | 31,031 |
| Investment in Oasis Crescent International Property Equity Feeder Fund | - | 31,671 | - | 31,671 |
| Other financial assets at fair value through profit or loss | | | | |
| Investment in Oasis Crescent Income Fund | - | 142,989 | - | 142,989 |
| Short-term financial assets | - | 8,763 | - | 8,763 |
| Investment property | | | | |
| Investment property | - | - | 683,287 | 683,287 |

The following table presents the Fund's assets that are measured at fair value at 31 March 2019:

| Assets | Level 1 R'000 | Level 2 R'000 | Level 3 R'000 | Total R'000 |
|--|-------------------------|-------------------------|-------------------------|-----------------------|
| Financial assets at fair value through profit or loss | | | | |
| Investment in Oasis Crescent Global Property Equity Fund | - | 442,668 | - | 442,668 |
| Investment in listed property funds | 8,342 | - | - | 8,342 |
| Investment in Oasis Crescent International Property Equity Feeder Fund | - | 64,041 | - | 64,041 |
| Other financial assets at fair value through profit or loss | | | | |
| Investment in Oasis Crescent Income Fund | - | 146,154 | - | 146,154 |
| Short-term financial assets | - | 8,699 | - | 8,699 |
| Investment property | | | | |
| Investment property | - | - | 720,074 | 720,074 |

The fair value of financial instruments traded in active markets is based on quoted market prices at the statements of financial position date. A market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis. These instruments are included in level 1.

The instruments included in level 2 comprise of Irish stock exchange property equity investments classified as financial assets at fair value through profit or loss and investments in Shari'ah compliant instruments classified as financial assets at fair value through profit or loss. The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2. If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

Specific valuation techniques used to value financial instruments include:

Financial assets at fair value through profit or loss

Oasis Crescent Global Property Equity Fund:

The asset approach is taken to value the investments in the Oasis Crescent Global Property Equity Fund using the closing Net Asset Value (NAV) price published by Oasis Global Management Company (Ireland), the management company of the fund, and listed on the Irish Stock Exchange. The shares are not actively traded on the Irish Stock Exchange and are therefore not included in Level 1.

Oasis Crescent International Property Equity Feeder Fund:

The fair value of investments in Oasis Crescent International Property Equity Feeder Fund is determined using the closing (NAV) price published by Oasis Crescent Management Company Limited, the management company of the Fund. These investments are not actively traded on an exchange and are therefore not classified as level 1.

Investment in listed property funds

The fair value of these investments is determined using the closing price as at statement of financial position date. These shares are listed and traded on the Johannesburg Stock Exchange (JSE) and are therefore classified as Level 1.

Other financial assets at fair value through profit or loss

Oasis Crescent Income Fund:

The asset approach is taken to value the investments in the Oasis Crescent Income Fund using the closing Net Asset Value (NAV) price published by Oasis Crescent Management Company Limited, the management company of the fund. These investments are not actively traded on an exchange and are therefore not classified as Level 1.

Investment property

| | Reviewed 6 months to 30 September 2019 R'000 | Reviewed 6 months to 30 September 2018 R'000 | Audited 31 March 2019 R'000 |
|--|---|---|--------------------------------|
| Balance at beginning of the period | 720,074 | 668,997 | 668,997 |
| Fair value adjustment on investment properties excluding straight-lining of lease income | (378) | (1,539) | 28,836 |
| Transfer to non-current asset held-for-sale | (30,000) | - | - |
| Movements in lease incentives | (1,069) | (638) | 1,507 |
| Capital expenditure on investment properties | 3,329 | 16,467 | 20,734 |
| Balance at the end of the period | 691,956 | 683,287 | 720,074 |

The valuation of investment properties include comparable bulk sales, discounted cash flow and net income capitalisation, using contracted rental income and other cash flows. Capitalisation rates used in the valuations are the most recent rates published by the South African Property Owners Association (SAPOA). The principal assumptions underlying estimation of fair value are those related to the receipt of contractual rentals, expected future market rentals, vacancy levels ranging from 0% to 5%, maintenance requirements and appropriate discount rates. These valuations are regularly compared to actual market yield data, actual transactions by the Fund and those reported by the market. Valuations were carried out as at 31 March 2019 by Mills Fitchet Magnus Penny, an independent, professional valuer registered without restriction in terms of the Property Valuers Act No. 47 of 2000.

The valuation of investment properties requires judgement in the determination of future cash flows and an appropriate capitalisation rate which varies between 7.70% and 10.50% (2018: 7.50% and 10.25%). Changes in the capitalisation rate attributable to changes in market conditions can have a significant impact on property valuations. The valuation of investment properties may also be influenced by changes in vacancy rates.

There have been no significant transfers between level 1, 2 or 3 during the period under review, nor were there any significant changes to the valuation techniques and inputs used to determine fair values.

INVESTMENT PROPERTY HELD-FOR-SALE

| | | |
|---|-------|---------------|
| Balance at the beginning of the period | R'000 | - |
| Transfer from investment property - Jagger Road | | 30,000 |
| Balance at the end of the period | | <u>30,000</u> |

The investment property reclassified as held-for-sale is a property that the directors have decided will be recovered through sale rather than through continuing use.

A conditional offer is in place for the disposal of Industrial property at Jagger Road. Management is of the opinion that the property will be disposed of within 12 months.

Note.**Related party transactions and balances****Identity of the related parties with whom material transactions have occurred**

Oasis Crescent Property Fund Managers Limited is the management company of the Fund in terms of the Collective Investment Schemes Control Act.

Oasis Group Holdings (Pty) Ltd., the parent of Oasis Crescent Property Fund Managers Limited, is a tenant at The Ridge@Shallcross and 24 Milner Road.

As disclosed in the prospectus of Oasis Crescent Income Fund and Oasis Crescent International Property Equity Feeder Fund, a management fee is charged for investing in the Oasis Crescent Income Fund by Oasis Crescent Management Company Ltd., the manager of the fund.

Abli Property Developers (Pty) Ltd. renders property development consulting services to the Fund on capital development projects.

Oasis Asset Managers Ltd. renders investment management services to the Fund on Financial assets at fair value through profit or loss.

Oasis Crescent Property Company (Pty) Ltd., renders services relating to identifying and securing tenants for the Fund.

There are common directors to Oasis Crescent Property Fund Managers Limited, Oasis Group Holdings (Pty) Ltd., Oasis Crescent Property Company (Pty) Ltd., Oasis Crescent Management Company Limited, Oasis Asset Management Ltd. and Abli Property Developers (Pty) Ltd. Transactions with related parties are executed on terms no less favourable than those arranged with third parties.

There has been no change in directors' interests between the end of the period and the date of approval of the Interim Report.

Type of related party transactions

The Fund pays a service charge and a property management fee on a monthly basis to Oasis Crescent Property Fund Managers Limited.

The Fund pays a consulting fee to Abli Property Developers (Pty) Ltd. for consulting services rendered in respect of capital development projects.

The Fund pays an investment management fee to Oasis Asset Management Ltd. for investment management services rendered in respect of investment in listed property funds.

The Fund pays an administration fee to Oasis Crescent Property Company (Pty) Ltd. for identifying and securing tenants for properties held by the Fund.

| | Reviewed 6 months 30 September 2019 R'000 | Reviewed 6 months 30 September 2018 R'000 | Audited 31 March 2019 R'000 |
|---|---|---|--------------------------------------|
| Related party transactions | | | |
| Service charge paid to Oasis Crescent Property Fund Managers Ltd. | 3,320 | 3,103 | 6,343 |
| Property management fees paid to Oasis Crescent Property Fund Managers Ltd. | 798 | 739 | 1,539 |
| Rental and related income paid by Oasis Group Holdings (Pty) Ltd. at the Ridge@ Shallcross | (267) | (245) | (503) |
| Rental and related income paid by Oasis Group Holdings (Pty) Ltd. at 24 Milner Road | (480) | (443) | (918) |
| Letting commission paid to Oasis Crescent Property Company (Pty) Ltd. for securing tenants | 41 | 65 | 780 |
| Property related expenses paid to Oasis Crescent Property Company (Pty) Limited | 559 | 482 | 904 |
| Consulting fees paid to Abli Property Developers (Pty) Ltd. for consulting services on capital projects | 48 | 330 | 468 |
| Investment management fees paid to Oasis Asset Management Ltd. | 18 | 110 | 172 |

| | Reviewed 6 months 30 September 2019 R'000 | Reviewed 6 months 30 September 2018 R'000 | Audited 31 March 2019 R'000 |
|--|---|---|--------------------------------------|
| Related party balances | | | |
| Trade payables to Oasis Crescent Property Fund Managers Ltd. | (998) | (789) | (823) |
| Trade payables to Oasis Group Holdings (Pty) Ltd. | (317) | (194) | (101) |
| Trade payables to Oasis Asset Management Ltd. | (2) | (20) | (6) |
| Trade payables to Oasis Crescent Property Company (Pty) Ltd | (261) | (155) | (157) |
| Trade payables to Abli Property Developers (Pty) Ltd | (291) | (150) | (99) |

Subsequent Events

There were no subsequent events or transactions that require disclosure in the Interim Report.

Dividend declaration

Notice is hereby given that a distribution of 5,221.32081 cents (in aggregate), after non-permissible income, for every 100 (one hundred) units so held, has been approved and declared for the six-month period ended 30 September 2019, from income, to unitholders recorded in the register of OCPF at close of business on Friday, 29 November 2019. Unitholders may elect to receive the distribution in cash or to reinvest the distribution by the purchase of new units at a rate of 2.32576 units at 2,245 cents per unit (in aggregate), for every 100 (one hundred) units so held.

OCPF is a REIT, as defined in the Income Tax Act, as from 1 April 2013 and, accordingly, the tax implications of the distribution have changed as from that date. The distribution will not be exempt from income tax in terms of section 10(1)(k) of the Income Tax Act.

For South African tax residents, the distribution will be exempt from dividends tax in terms of section 64F(1) of the Income Tax Act, provided that you, as unitholder, provide the transfer secretary or your nominee, custodian or CSDP with confirmation of your tax residence status in the prescribed form. If you do not provide the required residence status, they will have no choice but to withhold dividends tax at a rate of 20%.

For non-resident unitholders, for South African tax purposes, the distribution received by a non-resident unitholder from a REIT will be subject to dividend withholding tax at 20%, unless the rate is reduced in terms of any applicable agreement, for the avoidance of double taxation ("DTA") between South Africa and the country of tax residence of the unitholder. Non-resident unitholders that believe that a reduced rate of tax applies in respect of their applicable DTA should contact the transfer secretaries or their nominee, custodian or CSDP for the prescribed form to record the reduced rate of tax.

Where dividends tax is withheld at 20%:

- the reinvestment ratio for non-resident unitholders will be 1.86061 units at 2,245 cents per unit, for every 100 (one hundred) units held on the record date; and
- should such unitholders elect to receive the distribution in cash, they will receive 4,117.05665 cents per 100 units held on the record date.

Kindly contact the transfer secretaries, or your nominee, custodian or CSDP for a copy of the prescribed declaration form.

The Income Tax Act sections applicable to the distributions made are as follows:

- Property income distribution from a REIT – section 10(1)(k) and section 64F(1)

Both resident and non-resident unitholders are encouraged to consult their professional tax advisors with regard to their individual tax liability in this regard.

Units in issue at the date of declaration of the distribution: 63 650 278

Income tax reference number: 3354212148

The salient dates of the dividend declaration are:

| | 2019 |
|---|-------------------------------|
| Release of results and declaration announcement on SENS of distribution and right of election to purchase new units or receive a cash payment | Tuesday, 22 October |
| Circular and form of election posted to unitholders | Friday, 8 November |
| Finalisation announcement on SENS in respect of distribution and right of election to purchase new units or receive a cash payment | Friday, 8 November |
| Last day to trade in order to be eligible for the distribution | Tuesday, 26 November |
| Trading commences ex-entitlement to the distribution | Wednesday, 27 November |
| Listing of maximum possible number of units that may be purchased at commencement of trade | Friday, 29 November |
| Closing date for the election of cash distribution at 12:00 pm on | Friday, 29 November |
| Record date for the distribution | Friday, 29 November |
| Cash distribution cheques posted and CSDP/broker accounts updated with cash | Monday, 2 December |
| Announcement of the results of the distribution on SENS | Monday, 2 December |
| Unit certificates posted and CSDP/broker accounts updated with units | Wednesday, 4 December |
| Adjustment of number of new units listed on or about | Friday, 6 December |

Notes:

1. Unitholders reinvesting their distribution in new units are alerted to the fact that the new units will be listed 3 business days after the last day to trade and that these new units can only be traded 3 business days after the last day to trade, due to the fact that settlement of the units will be 3 business days after the record date, which differs from the conventional one business day after the record date settlement process.
2. Units may not be dematerialised or rematerialised between Wednesday, 27 November 2019 and Friday, 29 November 2019, both days inclusive.
3. The above dates and times are subject to change. Any changes will be announced on SENS.
4. All times quoted above are South African times.
5. Dematerialised unitholders should provide their CSDP or broker with their election instructions by the cut-off time stipulated in terms of their custody agreement with such CSDP or broker.
6. If no election is made, the distribution accrued to the unitholder will be used to purchase additional units.

2019

SOUTH AFRICA

CAPE TOWN

Oasis House

96 Upper Roodebloem Road, University Estate, Cape Town

PO Box 1217, Cape Town 8000

Tel: +27 (0) 21 413 7860 • Fax: +27 (0) 21 413 7900

DURBAN

Shop 49, The Ridge@Shallcross

90 Shallcross Road, Durban 4134

Tel: +27 (0) 31 409 0786 • Fax: +27 (0) 31 409 9777

JOHANNESBURG

4th Floor, West Office Tower

Nelson Mandela Square, Sandton

Tel: +27 (0) 11 263 7860 • Fax: +27 (0) 11 263 7861

