

GEN – General – Rebasis Property Fund Limited

Censure imposed by the JSE on Rebasis Property Fund Limited (“**Company**”)

The JSE hereby informs stakeholders of the following findings in respect of the Company:

1. On 11 November 2019, the Company published preliminary results for the financial year ended 31 August 2019 titled ‘Unaudited Results’, that were not reviewed at the time, due to differences between the Company and its auditors in the determination of Rebasis’ investment property valuation for the financial period concerned. In terms of paragraph 3.22(b) of the JSE Listings Requirements, annual financial information published by an issuer in advance of being required to do so must, at a minimum be reviewed by the issuer’s auditor.
2. On 13 December 2019, the Company published its reviewed results for the year ended 31 August 2019, which contained an adjustment to the property valuations, and included a qualified review opinion by the auditors in respect of the valuations. As a result of the auditor’s review, the market at large became aware of the significance and impact of the qualification on the 2019 annual financial statements which they were not previously made aware of in the 11 November 2019 preliminary results announcement.
3. The subsequent adjustment to the fair valuation in the reviewed financial statements published on 13 December 2019 amounted to approximately R900 million and impacted the Company’s 2019 property portfolio, which reduced to R15.6 billion. Further, it decreased the Company’s 2019 net asset value per “B” share by 15% as at 13 December 2019 (on a net basis, after taking into account debt).
4. The publication of annual financial statements, whether preliminary, provisional or final, is a fundamental disclosure requirement upon which investors rely to make informed investment decisions. For this reason, the JSE Listings Requirements are very clear and deliberate that such information requires a level of assurance from external auditors. In the case of preliminary annual financial statements, they are required, at a minimum, to be reviewed by external auditors. The publication of annual financial statements with the minimum required level of assurance from external auditors contribute to an orderly market place and promotes investor confidence. Had the Company

complied with the Listings Requirements, it would have published annual financial results to the market that contained the requisite level of assurance and information pertaining to the qualification through a review report, only when the Company was in a position to do so and not on 11 November 2019.

5. Accordingly, the JSE found the Company to be in breach of paragraph 3.22(b) of the Listings Requirements. The JSE finds it unacceptable that the Company published annual financial results that were not at a minimum reviewed and subject to a level of assurance.
6. The JSE has therefore decided to impose this public censure against the Company in relation to the above-mentioned breach of the Listings Requirements.

2 February 2021