RESILIENT REIT LIMITED
(Incorporated in the Republic of South Africa)
(Registration number: 2002/016851/06)
JSE share code: RES ISIN: ZAE000209557
Bond company code: BIRPIF
(Approved as a REIT by the JSE)
("**Resilient**" or "**Company**" or "**Group**")

BUSINESS UPDATE

Stakeholders are referred to the announcement of 27 March 2020 which addressed the Company's treasury position. As a further update, Resilient informs its stakeholders that:

- The Board confirms its intention to continue to declare and pay dividends in line with the principles applied in the past.
- The Group will receive a dividend of R43 million from Lighthouse Capital on 25 May 2020.
- The Group's distributable earnings for the six months to June 2020 will include any dividend declared by NEPI Rockcastle ("NEPI") for its 2020 interim period. As NEPI has withdrawn its 2020 earnings guidance, Resilient will delay the publication of its annual results to 26 August 2020, which is after NEPI is scheduled to announce its interim results.
- The Group has reduced its cross-currency swap position from EUR221 million to EUR110 million.

Edcon update
Edcon was up to date with rental payments prior to the lockdown. As stated in its interim results, from April 2019, Resilient has only included 59,1% of the basic rental received from Edgars, Edgars Beauty, Mac and Jet in its distributable earnings. At December 2019, Resilient impaired by 50% the value of its investment in Edcon and the forward contract to receive further shares. In light of the recent announcement by Edcon of its intention to file for voluntary business rescue the Group will fully impair the remaining balances at June 2020 (approximately R46 million).

Tenant support and trading
Management has been actively interacting with tenants, both directly and through the Property Industry Group. Resilient's position is that the burden resulting from the lockdown should be equitably borne by all parties. Resilient will afford SMME tenants greater support to assist them through this difficult period.

In line with management's expectations, Resilient's non-metropolitan shopping centres are trading better than those in metropolitan areas. This is partially due to the higher percentage of essential goods retailers in non-metropolitan centres. These centres should also benefit from increased social spending.

8 May 2020

Sponsor