

*Financial Modelling disclaimers:*

- *The Financial Models were prepared by 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.

<b>Scenario</b>	<b>Description</b>
All investment property assets sold	<ul style="list-style-type: none"> <li>• All investment property assets are sold.</li> <li>• This is the active scenario depicted in this annexure.</li> </ul>
Proceeds from investment property asset sales	<ul style="list-style-type: none"> <li>• 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.</li> <li>• The proceeds from investment property asset sales are gross amounts with transaction costs being recognised as an expense in the Income Statement(s).</li> </ul>
Transaction costs	<ul style="list-style-type: none"> <li>• 2.5% of sales proceeds.</li> </ul>
Investment property asset transfer period	<ul style="list-style-type: none"> <li>• Two months from the date of finalisation of the agreement of sale of each investment property asset.</li> </ul>
Business rescue plan approval date	<ul style="list-style-type: none"> <li>• 03/04/2023 which is ten business days from BR plan publication date.</li> <li>• Given that the model is in a monthly format, 30/04/2023 is assumed.</li> </ul>
Business rescue plan Date of Substantial Implementation ('the DoSI')	<ul style="list-style-type: none"> <li>• 30/06/2024</li> <li>• 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.).</li> <li>• 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.</li> </ul>

Operational income and expense assumptions	<ul style="list-style-type: none"> <li>• 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.</li> <li>• NOI capitalisation rate assumptions were provided by Quadrant.</li> </ul>
Revenue	<ul style="list-style-type: none"> <li>• 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.</li> </ul>
Investment property asset revaluation	<ul style="list-style-type: none"> <li>• Investment property assets were valued by Quadrant in March 2023, and these valuations are reflected from FY2023 onwards.</li> </ul>
Minimum cash balances	<ul style="list-style-type: none"> <li>• R20m at Rebosis and R20m at Ascension, resulting in a R40m minimum cash balance at Group level.</li> </ul>
Allocation of head office ('H/O') costs	<ul style="list-style-type: none"> <li>• 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.</li> <li>• 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.</li> </ul>
Income tax assumptions	<ul style="list-style-type: none"> <li>• The entity continues to enjoy REIT tax status, i.e. no capital gains tax ('CGT') upon sale of investment property assets.</li> <li>• 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.</li> </ul>
Post commencement finance overdraft ('PCF overdraft')	<ul style="list-style-type: none"> <li>• 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.</li> </ul>
'Deposit account' in each entity balance sheet	<ul style="list-style-type: none"> <li>• 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.</li> <li>• It is assumed that interest is earned on any balance at the deposit rate.</li> <li>• 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'.</li> </ul>
Exit overdraft	<ul style="list-style-type: none"> <li>• 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.</li> <li>• 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.</li> </ul>

Deferred tax asset	<ul style="list-style-type: none"> <li>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.</li> </ul>
Classification of investment property	<ul style="list-style-type: none"> <li>Investment property has not been reclassified to 'Investment property held for sale' as the forecasts depict the intention to sell all assets by FY2024.</li> </ul>
Intercompany loans	<ul style="list-style-type: none"> <li>The 'New interco loans' reflect the transfer of cash between the various entities to settle debt in terms of the debt waterfall(s).</li> </ul>
Outstanding account balances	<ul style="list-style-type: none"> <li>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.</li> <li>The intention is to only finalise these accounts after the DoSI.</li> </ul>
Consolidation treatment	<ul style="list-style-type: none"> <li>At the consolidated levels, the 'Investment in subsidiaries', intercompany loans and subsidiary equity is eliminated with positive or negative Goodwill as the adjustment amount.</li> </ul>

**Financial Extracts:****Cape Horizon:**

<u>Income statement</u>	<i>FY 2023</i>	<i>FY 2024</i>	<i>FY 2025</i>	<i>FY 2026</i>
	<i>31 Aug 2023</i>	<i>31 Aug 2024</i>	<i>31 Aug 2025</i>	<i>31 Aug 2026</i>
Revenue	14 671 694	(1 163 176)	-	-
Property expenses	(11 203 515)	(2 885 055)	-	-
<b>Net property income</b>	<b>3 468 178</b>	<b>(4 048 230)</b>	-	-
Operating expenses and other fees	(3 208 943)	(2 849 062)	-	-
<b>Operating income</b>	<b>259 236</b>	<b>(6 897 292)</b>	-	-
Net interest	477 483	(633 455)	(502 169)	(557 234)
<b>Net operating (loss)/income</b>	<b>736 718</b>	<b>(7 530 747)</b>	<b>(502 169)</b>	<b>(557 234)</b>
Other incomes	-	-	-	-
Profit/(loss) from sale of investment property	-	(100 591)	-	-
Changes in fair value and impairments	(141 569 559)	-	-	-
<b>Total (loss)/profit before taxation</b>	<b>(140 832 840)</b>	<b>(7 631 337)</b>	<b>(502 169)</b>	<b>(557 234)</b>
Taxation expense	38 018 427	1 339 186	-	-
<b>Total comprehensive (loss)/income</b>	<b>(102 814 413)</b>	<b>(6 292 151)</b>	<b>(502 169)</b>	<b>(557 234)</b>

<u>Balance sheet</u>	<i>FY 2023</i>	<i>FY 2024</i>	<i>FY 2025</i>	<i>FY 2026</i>
	<i>31 Aug 2023</i>	<i>31 Aug 2024</i>	<i>31 Aug 2025</i>	<i>31 Aug 2026</i>
<b>Assets</b>				
<b>Non-current assets</b>	<b>230 244 731</b>	<b>226 685 645</b>	<b>226 685 645</b>	<b>226 685 645</b>
Investment property	64 917 149	-	-	-
Fair value of property portfolio	60 000 000	-	-	-
Straight-line rental income accrual	4 917 149	-	-	-
Loans to group entities	126 969 914	126 969 914	126 969 914	126 969 914
New interco loan to Ascension	-	60 000 000	60 000 000	60 000 000
Leasing commission	36 874	-	-	-
Tenant Installations	395	-	-	-
Deferred tax assets	38 320 398	39 715 731	39 715 731	39 715 731
<b>Current assets</b>	<b>16 554 662</b>	<b>-</b>	<b>-</b>	<b>-</b>
Trade and other receivables	1 817 803	-	-	-
Cash and cash equivalents	-	-	-	-
Deposit account	14 736 860	-	-	-
<b>Total assets</b>	<b>246 799 393</b>	<b>226 685 645</b>	<b>226 685 645</b>	<b>226 685 645</b>
<b>Equity and liabilities</b>				
<b>Equity</b>	<b>37 960 433</b>	<b>50 256 355</b>	<b>49 754 185</b>	<b>49 196 952</b>
Stated capital and share premium	-	18 588 073	18 588 073	18 588 073
Retained income/(accumulated losses)	37 960 433	31 668 282	31 166 113	30 608 879
<b>Non-current liabilities (prefiling)</b>	<b>171 849 663</b>	<b>171 849 663</b>	<b>171 849 663</b>	<b>171 849 663</b>
Loans from group entities	171 849 663	171 849 663	171 849 663	171 849 663
<b>Current liabilities (prefiling)</b>	<b>15 415 333</b>	<b>-</b>	<b>-</b>	<b>-</b>
Trade and other payables	15 357 568	-	-	-
Current tax payable	-	-	-	-
Allowance for losses	57 765	-	-	-
<b>Non-current liabilities (post BR plan acceptance)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Current liabilities (BR plan acceptance)</b>	<b>21 573 964</b>	<b>4 579 627</b>	<b>5 081 797</b>	<b>5 639 030</b>
Current LSC accounts	18 588 073	-	-	-
PCF overdraft	2 985 891	-	-	-
Exit overdraft	-	4 579 627	5 081 797	5 639 030
<b>Reinstated debt (post BR plan acceptance)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total liabilities</b>	<b>208 838 960</b>	<b>176 429 291</b>	<b>176 931 460</b>	<b>177 488 694</b>
<b>Total equity and liabilities</b>	<b>246 799 393</b>	<b>226 685 645</b>	<b>226 685 645</b>	<b>226 685 645</b>

<u>Cash flow statement</u>	<i>FY 2023</i>	<i>FY 2024</i>	<i>FY 2025</i>	<i>FY 2026</i>
	<i>31 Aug 2023</i>	<i>31 Aug 2024</i>	<i>31 Aug 2025</i>	<i>31 Aug 2026</i>
Net cash inflow/(outflow) from operating activities	(1 551 392)	(1 446 495)	(502 169)	(557 234)
Net cash (outflow)/inflow from investing activities	(1 435 026)	59 852 759	-	-
Net cash (outflow)/inflow from financing activities	2 985 891	(62 985 891)	-	-
Net cash (outflow)/inflow from emergence from business rescue	-	4 579 627	502 169	557 234
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>(527)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Cash and cash equivalents at the end of the year</b>	<b>(0)</b>	<b>(0)</b>	<b>(0)</b>	<b>(0)</b>

**Main Street:**

<u>Income statement</u>	<i>FY 2023</i>	<i>FY 2024</i>	<i>FY 2025</i>	<i>FY 2026</i>
	<i>31 Aug 2023</i>	<i>31 Aug 2024</i>	<i>31 Aug 2025</i>	<i>31 Aug 2026</i>
Revenue	29 141 240	3 993 106	-	-
Property expenses	(7 079 740)	(1 824 955)	-	-
<b>Net property income</b>	<b>22 061 500</b>	<b>2 168 151</b>	-	-
Operating expenses and other fees	(1 659 418)	(4 501 044)	-	-
<b>Operating income</b>	<b>20 402 081</b>	<b>(2 332 893)</b>	-	-
Net interest	(446 605)	(1 034 351)	167 161	174 319
<b>Net operating (loss)/income</b>	<b>19 955 477</b>	<b>(3 367 244)</b>	<b>167 161</b>	<b>174 319</b>
Other incomes	-	-	-	-
Profit/(loss) from sale of investment property	-	2 407 445	-	-
Changes in fair value and impairments	(21 334 125)	-	-	-
<b>Total (loss)/profit before taxation</b>	<b>(1 378 648)</b>	<b>(959 799)</b>	<b>167 161</b>	<b>174 319</b>
Taxation expense	206 304	(620 808)	(9 027)	(9 413)
<b>Total comprehensive (loss)/income</b>	<b>(1 172 345)</b>	<b>(1 580 607)</b>	<b>158 134</b>	<b>164 906</b>

Balance sheet	FY 2023	FY 2024	FY 2025	FY 2026
	31 Aug 2023	31 Aug 2024	31 Aug 2025	31 Aug 2026
<b>Assets</b>				
<b>Non-current assets</b>	<b>291 141 147</b>	<b>290 665 708</b>	<b>290 665 708</b>	<b>290 665 708</b>
Investment property	153 443 445	-	-	-
Fair value of property portfolio	150 000 000	-	-	-
Straight-line rental income accrual	3 443 445	-	-	-
Loans to group entities	131 929 843	131 929 843	131 929 843	131 929 843
New interco loan to Ascension	-	152 658 922	152 658 922	152 658 922
Leasing commission	4 664	-	-	-
Tenant Installations	4 075	-	-	-
Deferred tax assets	5 759 119	6 076 943	6 076 943	6 076 943
<b>Current assets</b>	<b>32 796 060</b>	<b>3 692 959</b>	<b>3 851 093</b>	<b>4 015 999</b>
Trade and other receivables	3 612 817	-	-	-
Cash and cash equivalents	0	3 692 959	3 851 093	4 015 999
Deposit account	29 183 244	-	-	-
<b>Total assets</b>	<b>323 937 207</b>	<b>294 358 667</b>	<b>294 516 801</b>	<b>294 681 706</b>
<b>Equity and liabilities</b>				
<b>Equity</b>	<b>196 341 571</b>	<b>216 868 747</b>	<b>217 026 881</b>	<b>217 191 786</b>
Stated capital and share premium	-	22 107 783	22 107 783	22 107 783
Retained income/(accumulated losses)	196 341 571	194 760 963	194 919 098	195 084 003
<b>Non-current liabilities (prefiling)</b>	<b>77 489 920</b>	<b>77 489 920</b>	<b>77 489 920</b>	<b>77 489 920</b>
Loans from group entities	77 489 920	77 489 920	77 489 920	77 489 920
<b>Current liabilities (prefiling)</b>	<b>8 758 426</b>	-	-	-
Trade and other payables	8 704 157	-	-	-
Current tax payable	-	-	-	-
Allowance for Losses	54 269	-	-	-
<b>Non-current liabilities (post BR plan acceptance)</b>	-	-	-	-
<b>Current liabilities (BR plan acceptance)</b>	<b>41 347 290</b>	-	-	-
Current LSC accounts	22 107 783	-	-	-
PCF overdraft	19 239 507	-	-	-
Exit overdraft	-	-	-	-
<b>Reinstated debt (post BR plan acceptance)</b>	-	-	-	-
<b>Total liabilities</b>	<b>127 595 637</b>	<b>77 489 920</b>	<b>77 489 920</b>	<b>77 489 920</b>
<b>Total equity and liabilities</b>	<b>323 937 207</b>	<b>294 358 667</b>	<b>294 516 801</b>	<b>294 681 706</b>



<u>Cash flow statement</u>	<i>FY 2023</i>	<i>FY 2024</i>	<i>FY 2025</i>	<i>FY 2026</i>
	<i>31 Aug 2023</i>	<i>31 Aug 2024</i>	<i>31 Aug 2025</i>	<i>31 Aug 2026</i>
Net cash inflow/(outflow) from operating activities	(18 079 170)	23 248 356	158 134	164 906
Net cash (outflow)/inflow from investing activities	(1 161 486)	152 343 032	-	-
Net cash (outflow)/inflow from financing activities	19 239 507	(171 898 428)	-	-
Net cash (outflow)/inflow from emergence from business rescue	-	-	-	-
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>(1 149)</b>	<b>3 692 959</b>	<b>158 134</b>	<b>164 906</b>
<b>Cash and cash equivalents at the end of the year</b>	<b>(0)</b>	<b>3 692 959</b>	<b>3 851 093</b>	<b>4 015 999</b>

**Ascension (including Cape Horizon and Main Street):**

<u>Income statement</u>	<i>FY 2023</i>	<i>FY 2024</i>	<i>FY 2025</i>	<i>FY 2026</i>
	<i>31 Aug 2023</i>	<i>31 Aug 2024</i>	<i>31 Aug 2025</i>	<i>31 Aug 2026</i>
Revenue	242 409 796	28 909 882	-	-
Property expenses	(138 691 541)	(35 294 973)	-	-
<b>Net property income</b>	<b>103 718 255</b>	<b>(6 385 091)</b>	-	-
Operating expenses and other fees	(34 066 650)	(57 845 465)	-	-
<b>Operating income</b>	<b>69 651 605</b>	<b>(64 230 557)</b>	-	-
Net interest	(87 290 830)	(48 905 993)	(22 579 606)	(25 049 026)
<b>Net operating (loss)/income</b>	<b>(17 639 226)</b>	<b>(113 136 549)</b>	<b>(22 579 606)</b>	<b>(25 049 026)</b>
Other incomes	-	-	-	-
Profit/(loss) from sale of investment property	-	19 255 019	-	-
Changes in fair value and impairments	(484 892 160)	-	-	-
<b>Total (loss)/profit before taxation</b>	<b>(502 531 385)</b>	<b>(93 881 530)</b>	<b>(22 579 606)</b>	<b>(25 049 026)</b>
Taxation expense	129 252 569	3 417 592	(9 027)	(9 413)
<b>Total comprehensive (loss)/income</b>	<b>(373 278 817)</b>	<b>(90 463 938)</b>	<b>(22 588 633)</b>	<b>(25 058 439)</b>

Balance sheet	FY 2023	FY 2024	FY 2025	FY 2026
	31 Aug 2023	31 Aug 2024	31 Aug 2025	31 Aug 2026
<b>Assets</b>				
<b>Non-current assets</b>	<b>3 253 803 087</b>	<b>2 388 349 482</b>	<b>2 388 349 482</b>	<b>2 388 349 482</b>
Investment property	1 754 866 090	-	-	-
Fair value of property portfolio	1 723 000 000	-	-	-
Straight-line rental income accrual	31 866 090	-	-	-
Property, plant and equipment	10 159	-	-	-
Loans to group entities	1 361 184 111	1 361 184 111	1 361 184 111	1 361 184 111
New interco loan to Rebois	-	887 645 646	887 645 646	887 645 646
Leasing commission	1 395 515	-	-	-
Tenant Installations	1 239 856	-	-	-
Deferred tax assets	135 107 355	139 519 725	139 519 725	139 519 725
<b>Current assets</b>	<b>295 501 775</b>	<b>20 000 000</b>	<b>20 000 000</b>	<b>20 000 000</b>
Trade and other receivables	29 492 956	-	-	-
Cash and cash equivalents	20 000 000	20 000 000	20 000 000	20 000 000
Deposit account	246 008 819	-	-	-
<b>Total assets</b>	<b>3 549 304 861</b>	<b>2 408 349 482</b>	<b>2 408 349 482</b>	<b>2 408 349 482</b>
<b>Equity and liabilities</b>				
<b>Equity</b>	<b>1 659 497 561</b>	<b>1 684 441 887</b>	<b>1 661 853 254</b>	<b>1 636 794 815</b>
Stated capital and share premium	2 013 230 245	2 120 765 751	2 120 421 716	2 120 029 387
Retained income/(accumulated losses)	(353 732 683)	(436 323 863)	(458 568 461)	(483 234 572)
<b>Non-current liabilities (prefiling)</b>	<b>508 239 341</b>	<b>508 239 341</b>	<b>508 239 341</b>	<b>508 239 341</b>
Loans from group entities	508 239 341	508 239 341	508 239 341	508 239 341
<b>Current liabilities (prefiling)</b>	<b>1 032 000 160</b>	<b>-</b>	<b>-</b>	<b>-</b>
Interest-bearing borrowings	859 444 273	-	-	-
Trade and other payables	170 916 468	-	-	-
Current tax payable	-	-	-	-
Allowance for Losses	1 639 419	-	-	-
<b>Non-current liabilities (post BR plan acceptance)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Current liabilities (BR plan acceptance)</b>	<b>349 567 799</b>	<b>191 751 096</b>	<b>214 339 729</b>	<b>239 398 168</b>
Current LSC accounts	115 408 264	-	-	-
PCF overdraft	234 159 535	-	-	-
Exit overdraft	-	191 751 096	214 339 729	239 398 168
<b>Reinstated debt (post BR plan acceptance)</b>	<b>-</b>	<b>23 917 158</b>	<b>23 917 158</b>	<b>23 917 158</b>
<b>Total liabilities</b>	<b>1 889 807 300</b>	<b>723 907 595</b>	<b>746 496 228</b>	<b>771 554 667</b>
<b>Total equity and liabilities</b>	<b>3 549 304 861</b>	<b>2 408 349 482</b>	<b>2 408 349 482</b>	<b>2 408 349 482</b>

<u>Cash flow statement</u>	<i>FY 2023</i>	<i>FY 2024</i>	<i>FY 2025</i>	<i>FY 2026</i>
	<i>31 Aug 2023</i>	<i>31 Aug 2024</i>	<i>31 Aug 2025</i>	<i>31 Aug 2026</i>
Net cash inflow/(outflow) from operating activities	(186 273 849)	23 458 920	(22 588 633)	(25 058 439)
Net cash (outflow)/inflow from investing activities	(18 688 565)	1 742 122 280	-	-
Net cash (outflow)/inflow from financing activities	226 727 656	(1 957 332 296)	-	-
Net cash (outflow)/inflow from emergence from business rescue	-	191 751 096	22 588 633	25 058 439
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>21 765 242</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Cash and cash equivalents at the end of the year</b>	<b>20 000 000</b>	<b>20 000 000</b>	<b>20 000 000</b>	<b>20 000 000</b>