

ATTACQ LIMITED

(Incorporated in the Republic of South Africa)

(Registration number 1997/000543/06)

JSE share code: ATT ISIN: ZAE000177218

(Approved as a REIT by the JSE)

(“Attacq” or “the company”)



UPDATE ON EDCON RESTRUCTURE

Attacq initiated a proactive and solution-driven approach to address its Edcon Limited (“Edcon”) exposure with engagements starting in April 2018.

This early approach included evaluations of trading densities, rent to turnover ratios as well as taking into consideration the tenant mix, size and location of Edcon stores within each mall.

As a result, Attacq was able to introduce new tenants in prime locations across the portfolio which provided additional diversity in the tenant mix and supported Edcon’s intent to reduce its overall footprint.

From a South African operational point of view (including 50.0% of Newtown Junction), Attacq’s effective Edcon exposure will settle at 22 945m² of primary gross lettable area (PGLA) by 1 October 2019, which is estimated at 3.0% of the effective PGLA. This follows a reduction from 29 262m² effective PGLA as at 30 June 2018 to 25 499m² effective PGLA as at 31 December 2018.

Highlights of the restructure process across the portfolio includes:

- H&M introduced into Eikestad Mall’s Edgars store with trading commencing on 1 November 2018.
- Mall of Africa
 - Edgars store reduced by consolidating trading area from two levels to the top floor;
 - Pick n Pay introduced as a new food anchor tenant on the bottom level with trading commencing on 1 October 2019;
 - Coricraft expanded into the River Island space on the top level on 6 November 2018; and
 - PNA replaced the Boardman’s store with trade commencing on 1 December 2018.

SA Edcon exposure		
As at	Effective PGLA m ²	Effective contractual gross monthly rental Rmillion
30 June 2018	29,262	4,1
31 December 2018	25,499	3,6
1 October 2019	22,945	3,2

Attacq is a participating landlord in Edcon’s recapitalisation plan as announced today by Edcon. Attacq has included the reduction of gross rental income for the 24 months commencing 1 May 2019 arising from the Edcon recapitalisation in its property valuations.

As a consequence of the proactive engagements and early restructure at individual malls as highlighted above, the impact on our property portfolio yielded positive results. Attacq was also able to support Edcon as one of South Africa’s largest retailer’s during this critical time, thereby ensuring business continuity for a significant employer in the retail sector.

Detailed information will be disclosed at our interim results presentation scheduled for 5 March 2019 at the Johannesburg Stock Exchange.

1 March 2019

Sponsor

JAVACAPITAL