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.....

**2019 Year-end
results presentation**

.....

Solid capital structure
positions L2D for
sustainable performance



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1

At a glance



Strategic value drivers

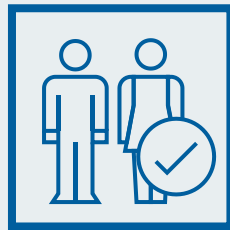
3



**Customer
Experience**



**Tenant
Experience**



**Employee
Experience**



**Capital and Risk
Management**



**Financial
Outcome**



The Good We Do

Highlights for 2019

4



**Customer
Experience**

3.6 %

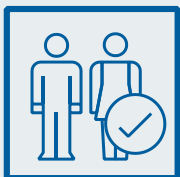
trading density growth, Sandton City at 9%



**Tenant
Experience**

2.3 %

retail vacancy



**Employee
Experience**

Leadership

team strengthened



**Capital and Risk
Management**

Favourably refinanced

2019 debt expiry



**Financial
Outcome**

60.43 cents

per share delivered within full year distribution guidance



**The Good
We Do**

Sustainability

initiatives successfully delivered

TO BE THE
LEADING
SOUTH AFRICAN
PRECINCT FOCUSED,
RETAIL-CENTERED REIT



TO CONTINUE TO CREATE EXPERIENTIAL SPACES TO BENEFIT GENERATIONS



Evolving Real Estate



Location,
Experience, Analytics



Putting customers
at the centre



Tenants Shared Value

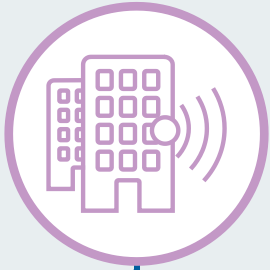


Omnichannel
Engagement



Masterplanning

Underpinned by our strategic building blocks



**Smart
Spaces**



**On Demand
Spaces**



**Good
Spaces**



**Inclusive
Spaces**



**Immersive
Spaces**

Creating experiential offerings

8

New initiatives



New tenants



Future tenants



Good Spaces: environmental actions



Green Building Certification

Targeting green star ratings across the retail portfolio

Target

**H1
2020**



Net Zero Waste

Reverse Vending Machines
Ban Plastic Bags

**End
2020**



Net Zero Water

Rainwater Harvesting project
Smart Water Meters

**By
2025**



Net Zero Carbon

Solar PV in Midlands Mall
Energy Audits Completed

**By
2030**





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2

Operational updates



Portfolio overview

Portfolio

GLA¹

967 866m²

Retail:

54%

Office:

34%

Specialised:

12%

Value

R10.3 bn

Number of assets

17

Retail: 7

Office: 3

Hotels: 3

Other: 4

Exposure

NPI contribution²

Retail:

80%

Office:

11%

Hotels:

8%

Specialised:

1%

Top 10 tenants (Retail)

GLA:

47.6%

Rental:

35.0%

Tenant exposure (Portfolio GLA)

Edcon:

3.9%

Massmart:

2.0%

Forever 21:

0.3%

Operating performance

Retail vacancy

2.3%

Sandton retail vacancy

0.4%

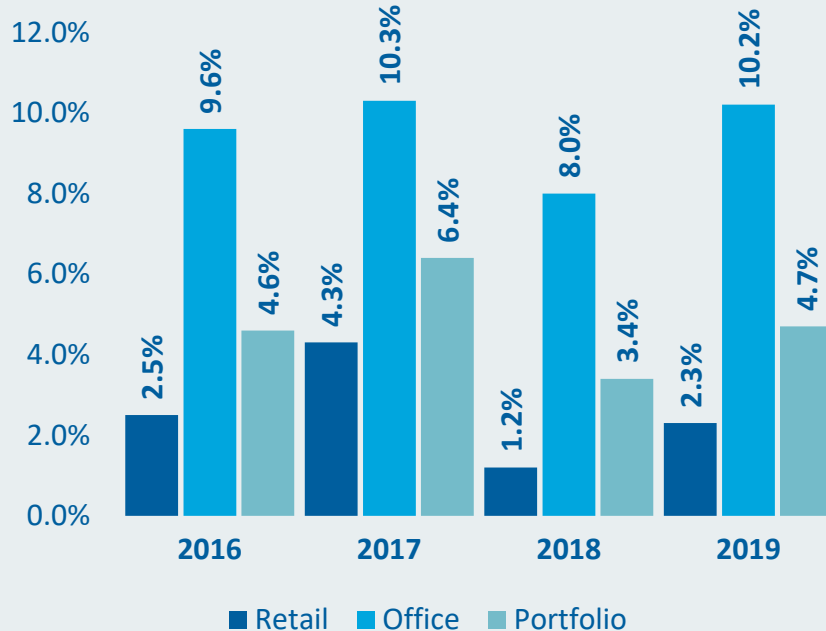
Office vacancy

10.2%

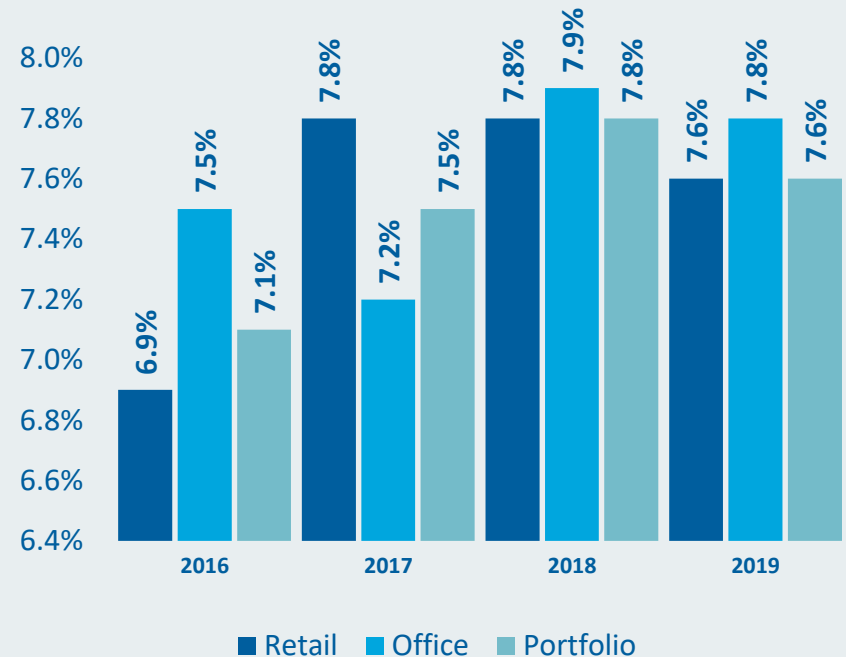
Average escalation¹

7.6%

Vacancy rate



Contractual escalation



1. Excludes Melrose Arch

Operating metrics

CCO ratio¹

14.7%

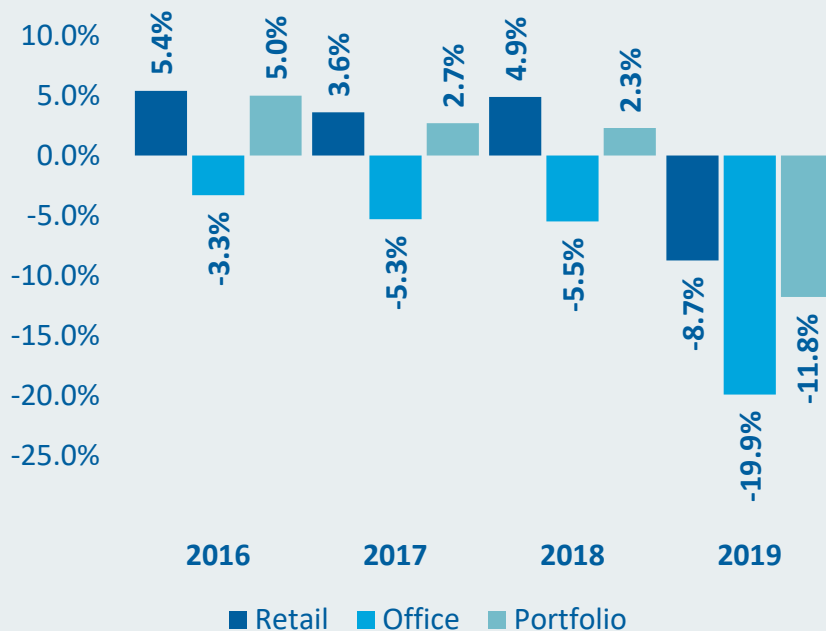
Rent-to-sales ratio¹

11.1%

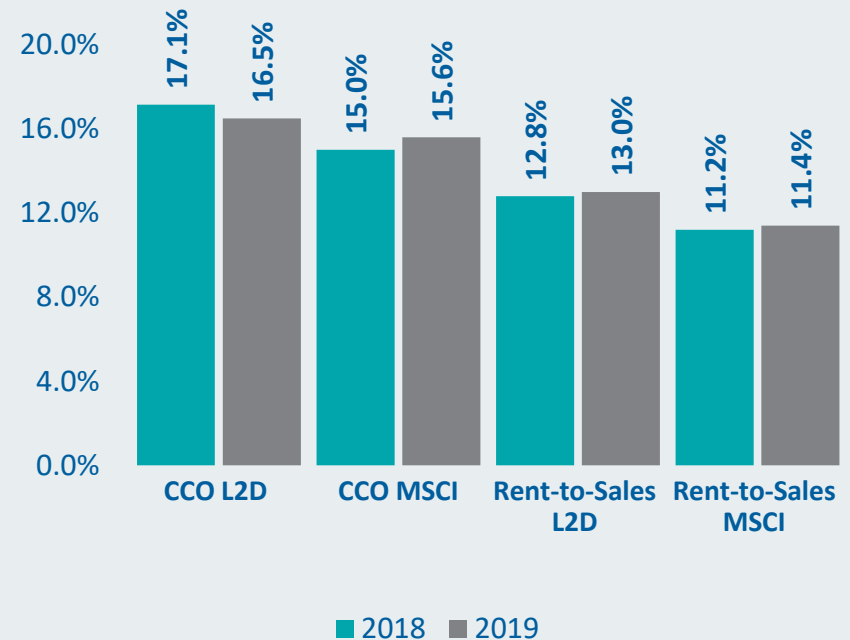
Tenant retention

79.7%

Reversion rate



Cost of occupation metrics - Super regionals



1. Full Portfolio excluding Melrose Arch

Continued improvement in trading performance

Properties	Annualised trading density (R/m ²)	Dec 19 (%)	Jun 19 (%)	Dec 18 (%)	Jun 18 (%)
Sandton City	59 199	9.0	7.9	4.0	5.5
Eastgate Shopping Centre	37 334	(0.5)	(0.9)	3.1	3.8
Nelson Mandela Square	58 448	6.3	6.5	(1.3)	(4.7)
Liberty Promenade	41 270	2.2	2.8	1.9	4.1
Midlands Mall	37 778	(1.0)	(0.1)	(0.6)	(0.9)
Botshabelo Mall	33 457	14.2	11.2	10.0	13.6
Portfolio (excl. MA¹)	45 680	3.6	3.4	3.0	3.0
Melrose Arch	29 905	13.2	3.5	(6.2)	1.5
Full portfolio	44 583	4.6	4.0	2.6	2.8
CLUR All Centres Benchmark	34 777	n/a	4.3	3.8	3.1
MSCI Super Regional Benchmark	38 813	2.6 ²	3.1	2.5	2.0

1. MA = Melrose Arch.

2. Refers to September 2019 MSCI benchmark.

Notes: Historical ATD growth updated due to the inclusion of updated turnovers

Trading density growth is based on a 12-month rolling period.

Data above excludes Lifestyle Centre as it has not traded for a full 24-month period.

Location fundamentals

Retail sales growth

Gauteng (%)

Fine jewellery:	31.3
Luxury brands:	22.7
Unisex wear:	16.1
Health and beauty:	58.9

Free State (%)

Specialised foods:	63.1
Grocery/supermarket:	16.1
Bottle stores:	26.1
Sporting/outdoor goods and wear:	29.0

KwaZulu-Natal (%)

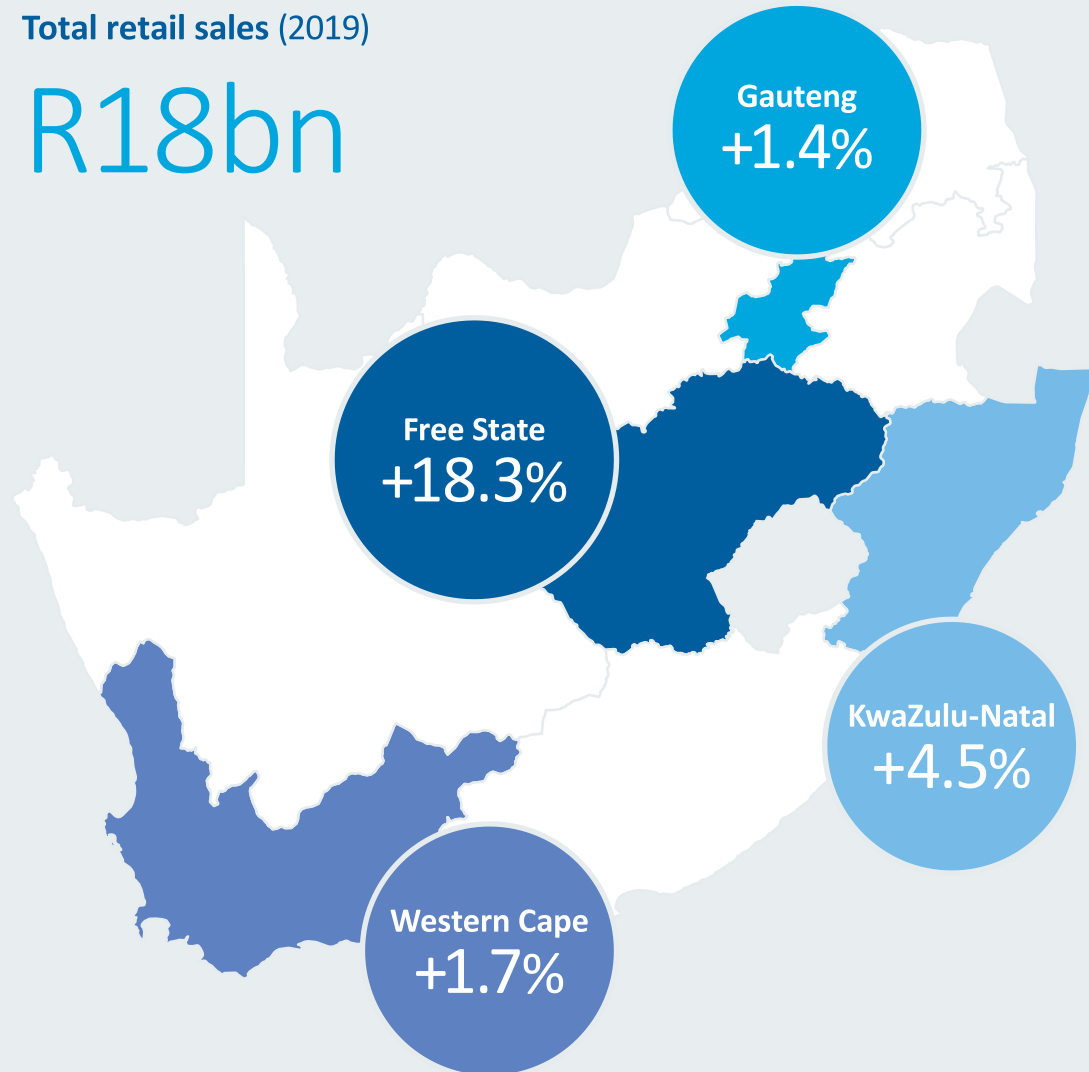
Home furnishings/décor:	16.2
Unisex wear:	19.0
Junior department stores:	7.0
Books/cards/stationery:	24.2

Western Cape (%)

Footwear:	66.2
Sporting/outdoor goods and wear:	6.7
Home furnishings/décor:	28.5
Men's wear:	12.2

Total retail sales (2019)

R18bn



Note: Turnover based on full portfolio



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Financial results



Statement of comprehensive income

For the 12 months ended 31 December 2019

R'000	Audited 31 Dec 2019	Audited 31 Dec 2018
Property portfolio revenue	999 189	913 810
Net Revenue from Hotel operations	24 677	0
Property operating expenses including change in expected credit losses	(330 314)	(324 688)
Net property income	693 552	589 122
Revenue from contracts with customers	68 237	63 915
Other income	181	4 049
Operating costs	(93 156)	(76 126)
Profit from operations	668 814	580 960
Net interest expense	(145 048)	(12 820)
Realised loss on sale of equity	0	(2 085)
Net fair value adjustments	10 910	80 762
Profit before tax	534 676	646 817
Taxation	(185)	(6 082)
Total comprehensive income	534 491	640 735

Net property income growth

	Growth %	Dec 19	Dec 18
Comparable NPI Growth			
Net Property Income	17.7	693 551 462	589 122 018
Straight-lining		24 702 065	1 259 452
NPI adjusted for straight-lining	21.7	718 253 527	590 381 470



5.36%

**Normalised for ownership
% incl. new assets¹**



5.29%

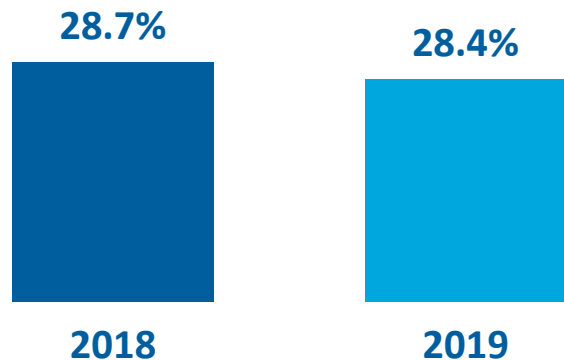
**Normalised for ownership
% excl. new assets¹**

1. New assets: Midlands Lifestyle centre, Melomed, Hotels, Convention Centre and Virgin Active.

Net property income like for like – 24 months

Gross Income Growth (like-for-like)	Growth incl. rates (%)	Growth excl. rates (%)
Portfolio	5.1	4.5
Retail	6.6	6.2
Office	(6.1)	(8.9)
Specialised	7.5	7.6

Cost to Income Ratio



Main cost drivers (%)

Operating costs	↑	8.0
Rates	↑	13.3
Operating costs excl. rates	↑	4.0

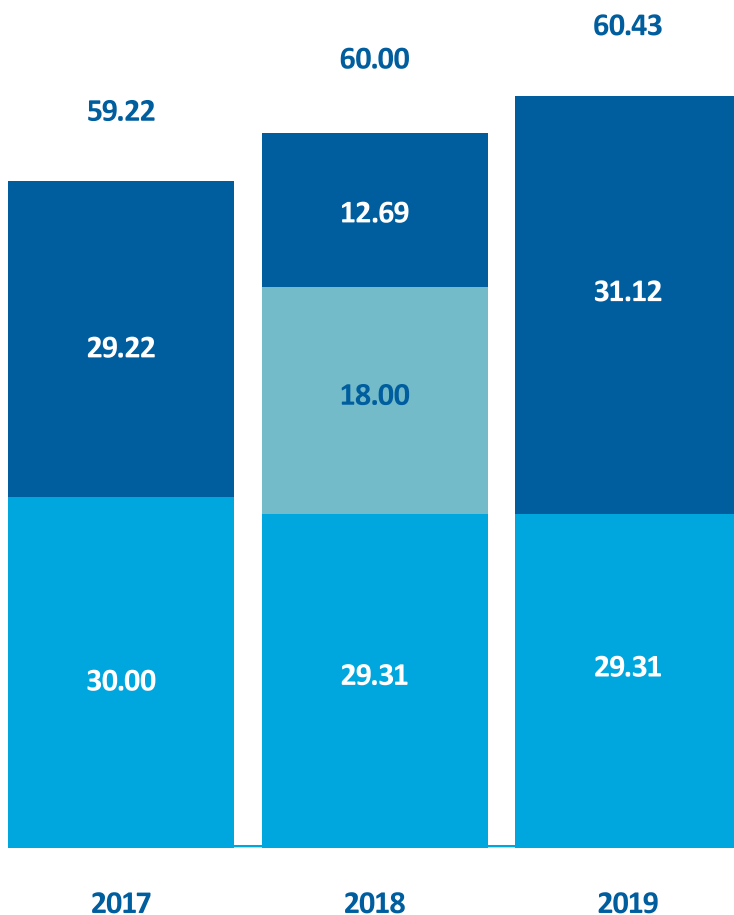
NPI Growth (like-for-like)	Growth incl. rates (%)	Growth excl. rates (%)
Portfolio	3.3	2.8

- Note: The cost to income ratio is derived from income and expenses for tenants (and assets) which have been trading for a full 24 months. The change in previous reported is a result of inclusion of Standard Bank office.
- Note: The Eastgate assessment rate credit received in June 2019 has been normalised across the two periods, 2018 and 2019 to reflect a correct growth rate.
- Note: Umhlanga Office Block has been removed from the calculation due to no tenant operating for full 24 months.
- Note: Sandton Parkade, Virgin Active and Parkade, Convention Centre and the hotels are not included in the calculation.

Distribution

Distribution since listing

- Interim
- Clean-out
- Final



L2D distributions

Cents distribution	2017	2018	2019
Net rental	50.21	64.99	79.06
L2D costs	(4.26)	(8.38)	(10.25)
Net interest	12.67	(1.41)	(15.97)
Dividend income	0.60	–	–
Asset management fee	–	7.02	6.77
Development income	–	0.02	0.74
Other income	–	0.45	0.02
Taxation	–	(0.67)	(0.02)
Trust distribution	–	–	0.08
Capital reorganisation adjustment	–	(2.01)	–
	59.22	60.00	60.43

Rand amounts	2017	2018	2019
Net rental	456 126 135	590 381 471 ⁽²⁾	718 253 527⁽¹⁾
L2D costs	(38 741 799)	(76 125 313)	(93 156 337)
Net interest	115 062 883	(12 820 093)	(145 048 133)
Dividend income	5 491 757	–	–
Asset management fee	–	63 753 129	61 490 446
Development income	–	162 476	6 747 265
Other income	–	4 048 772	181 226
Taxation	–	(6 081 732)	(184 604)
Trust distribution	–	–	698 264
Capital reorganisation adjustment	–	(18 252 709)	–
	537 938 976	545 071 265	548 981 655

(1) 761 789 – 61 490 – 6 747 + 24 702 = 718 254

(2) 653 037 – 63 753 – 162 + 1 259 = 590 381

Statement of financial position

As at 31 December 2019

	R'000	Audited 31 Dec 2019	Audited 31 Dec 2018
ASSETS	Non-current assets	10 163 254	10 145 122
	Non-current asset held for sale	123 213	0
	Current assets	386 907	333 264
	Total assets	10 673 374	10 478 386
LIABILITIES	Non-current liabilities	1 695 000	1 000 000
	Current liabilities	261 368	894 490
	Trade and other payable	218 316	259 594
	Financial Instruments	16 891	8 289
	Lease liabilities	1 995	0
	Financial liabilities	24 166	626 607
	Total liabilities	1 956 368	1 894 490
EQUITY	Capital	8 780 921	8 780 489
	Retained surplus	290 081	122 646
	Share- based payment reserve	18 240	0
	Treasury shares	(39 205)	0
	Mergers/capital reserve	(426 104)	(426 104)
	Non-distributable reserve	93 073	106 865
	Total Equity	8 717 006	8 583 896
	Total equity and liabilities	10 673 374	10 478 386

75%

hedged currently

8.95%

NACA

4.68 x

ICR

Term debt

R1.65bn

16%

Group loan to value

Maturity profile

2 year	30%
3 year	40%
4 year	30%

2.84 years

average hedge expiry



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4

Looking
ahead





Amelia Beattie
Chief Executive



José Snyders
Financial Director



Jonathan Sinden
Chief Operations Officer



Steph Goodwin
Human Capital Executive



Sumenthree Moodley
Head of Analysis



Heloise Mgcina
Marketing and
Communications Executive

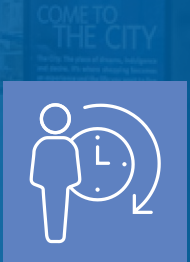
Trends



**Personal, memorable
human engagement**



**Authentic and
meaningful encounters
through community
driven engagements**



**Seamless interactions
from retailer to consumer**



**Keeping sustainable
and ethical practices
at the fore front**





**Customer
Experience**

Retail evolution

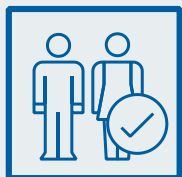
investments in targeted initiatives



**Tenant
Experience**

Optimised rental base

translating into sustainable operational performance



**Employee
Experience**

Inspired, passionate, empowered

people remain at the core of who we are



**Capital and Risk
Management**

Maintain strong balance sheet

through disciplined capital allocation



**Financial
Outcome**

2020 distribution

equivalent to 2019



**The Good
We Do**

Remain committed to executing our strategy in a
sustainable manner



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Thank you

from the “creators of
experiential spaces.”



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Annexures





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6

Operational
updates
continued





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Sandton City Complex



Sandton City Complex

32

Retail	Dec 2019	Jun 19	Dec 18	Jun 18
Average net rental (R/m ²)	542	538	510	504
Vacancy (%)	0.4	0.6	0.4	0.9 ³
L2D CCO Ratio	15.8	16.5	15.7	14.7
Office				
Average net rental (R/m ²)	152	159	141	168
Vacancy (%)	27.1	24.2	25.5	28.8
Trading density update (R/m ²) ⁴	Dec 2019	Jun 19	Dec 18	Jun 18
Centre	59 199	57 643	54 318	53 431
Growth (%) ¹	9.0	7.9	4.0	5.5
	Annual TD growth (%)	Annual TD growth (%)	Annual TD growth (%)	Annual TD growth (%)
Highest TD growth				
Grocery/supermarket	43.1	2.0	(5.2)	(0.3)
Highest TD growth by attribution ratio ²				
Luxury brands	18.0	13.6	10.4	18.7
Grocery/supermarket	43.1	2.0	(5.2)	(0.3)
Department stores (>5k m ²)	7.1	6.0	6.1	7.0
Health and beauty >500 m ²	15.9	(11.9)	(27.8)	(9.3)
Unisex wear	3.1	6.3	2.5	(1.6)

1. Growth is based on trading density over a 12 month rolling period as per Clur Report.

2. Attribution ratio: retail sales contribution % X annual trading density growth %.

3. Includes pre-lets.

4. Historical ATD and ATD growth updated due to the inclusion of updated turnovers

Note: Asset Management Executive: Nikiwe Mkhabela.



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Eastgate Complex



Eastgate Complex

34

Complex (retail and office)	Dec 2019	Jun 19	Dec 18	Jun 18
Average net rental (R/m ²)	374	360	368	366
Vacancy (%) – retail	3.6	3.1 ⁵	1.0	1.7 ³
L2D CCO Ratio	17.7	18.5	19.6	19.8
Vacancy (%) – office	2.7	2.7	2.7	4.5
Trading density update (R/m²)⁴	Dec 2019	Jun 19	Dec 18	Jun 18
Centre	37 334	36 779	37 199	37 119
Growth (%) ¹	(0.5)	(0.9)	3.1	3.8
	Annual TD growth (%)	Annual TD growth (%)	Annual TD growth (%)	Annual TD growth (%)
Highest TD growth				
Travel stores	84.4	261.8	111.1	5.7
Highest TD growth by attribution ratio²				
Department stores (>5k m ²)	7.7	2.8	8.4	7.1
Travel stores	84.8	261.8	111.1	5.7
Men's wear	9.1	2.1	(0.7)	2.6
Electronics	4.3	(7.1)	(2.8)	7.3
Restaurants and Coffee shops	6.0	6.0	6.7	(1.0)

1. Growth is based on trading density over a 12-month rolling period as per Clur Report.

2. Attribution ratio: retail sales contribution % X annual trading density growth %.

3. Includes pre-lets.

4. Historical ATD and ATD growth updated due to the inclusion of updated turnovers.

Note: Asset Management Executive: Carmen Collison.



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Midlands Mall and Lifestyle Centre



Midlands Mall and Lifestyle Centre

36

Midlands Mall retail	Dec 2019	Jun 19	Dec 18	Jun 18
Average net rental (R/m ²)	219	221	214	209
Vacancy (%)	0.0	1.4	1.9	1.5 ³
L2D CCO Ratio	11.9	11.4	10.8	11.4
Trading density update (R/m ²) ⁴	Dec 2019	Jun 19	Dec 18	Jun 18
Centre	37 778	38 290	38 148	38 345
Growth (%) ¹	(1.0)	(0.1)	(0.6)	(0.9)
Highest TD growth	Annual TD growth (%)	Annual TD growth (%)	Annual TD growth (%)	Annual TD growth (%)
Fast foods	18.9	15.9	5.0	(2.4)
Highest TD growth by attribution ratio ²				
Fast foods	18.9	15.9	5.0	(2.4)
Electronics	10.7	15.2	20.2	17.3
Home furnishings/art/antiques/décor	9.5	0.4	(5.1)	(5.4)
Lifestyle Centre retail	Dec 19	Jun 19	Dec 18	Jun18
Average net rental (R/m ²)	163	167	165	150
Vacancy (%)	1.3	5.5	7.2	7.8 ⁴
L2D CCO Ratio	9.4	20.4		
Trading density update (R/m ²) ⁴	Dec 2019	Jun 19	Dec 18	Jun 18
Centre ⁵	17 629	17 518	18 665	18 403

1. Growth is based on trading density over a 12-month rolling period as per Clur Report.

2. Attribution ratio: retail sales contribution % X annual trading density growth %.

3. Includes pre-lets.

4. Historical ATD and ATD growth updated due to the inclusion of updated turnovers

5. Lifestyle centre does not include ATD growth as the centre has not been trading for a full 24 month period.

Note: Asset Management Executive: Bharathi Kawal



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Nelson Mandela Square



Nelson Mandela Square

38

Retail	Dec 2019	Jun 19	Dec 18	Jun 18
Average net rental (R/m ²)	516	508	475	493
Vacancy (%)	9.0	9.5	0.9	1.2 ³
L2D CCO Ratio ⁵	18.7	19.9	19.2	17.7
Office				
Average net rental (R/m ²)	107	112	108	107
Vacancy (%)	40.7	37.2	32.3	38.1
Trading density update (R/m ²) ⁴	Dec 2019	Jun 19	Dec 18	Jun 18
Centre	58 448	57 812	54 961	54 263
Growth (%) ¹	6.3	6.5	(1.3)	(4.7)
Highest TD growth	Annual TD growth (%)	Annual TD growth (%)	Annual TD growth (%)	Annual TD growth (%)
Hairdressers	102.3	11.1	(25.9)	(13.9)
Highest TD growth by attribution ratio ²				
Fine jewellery – high end	15.7	(2.9)	(10.3)	3.0
Watches – high end	20.8	9.9	11.6	25.7
Restaurants and coffee shops	4.0	3.0	(0.4)	(3.2)
Men's wear	19.2	19.5	(13.3)	(38.3)
Health and beauty <500 m ²	62.1	55.6	(19.5)	(16.3)

1. Growth is based on trading density over a 12-month rolling period as per Clur Report.

2. Attribution ratio: retail sales contribution % X annual trading density growth %.

3. Includes pre-lets.

4. Historical ATD and ATD growth updated due to the inclusion of updated turnovers.

5. Prior period CCO ratios have been restated due to a change in apportionment of charges between retail and office

Note: Asset Management Executive: Brian Unsted



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Liberty Promenade



Retail	Dec 2019	Jun 19	Dec 18	Jun 18
Average net rental (R/m ²)	165	154	157	148
Vacancy (%)	0.5	1.1	0.7	1.6 ³
L2D CCO Ratio	8.8	8.6	8.6	8.3
Trading density update (R/m ²) ⁴	Dec 2019	Jun 19	Dec 18	Jun 18
Centre	41 270	41 064	40 399	39 928
Growth (%) ¹	2.2	2.8	1.9	4.1
Highest TD growth	Annual TD growth (%)	Annual TD growth (%)	Annual TD growth (%)	Annual TD growth (%)
Specialised foods	40.0	54.8	12.2	(17.9)
Highest TD growth by attribution ratio ²				
Men's wear	22.4	17.1	17.0	12.2
Home furnishings/art/antiques/décor	12.0	1.7	3.3	12.7
Health and beauty >500 sqm	8.8	7.4	11.0	4.9
Fast foods	4.8	(1.4)	(6.4)	0.3
Junior department stores (2.5 to 5k m ²)	5.3	4.2	2.5	(0.3)

1. Growth is based on trading density over a 12-month rolling period as per Clur Report.

2. Attribution ratio: retail sales contribution % X annual trading density growth %.

3. Includes pre-lets.

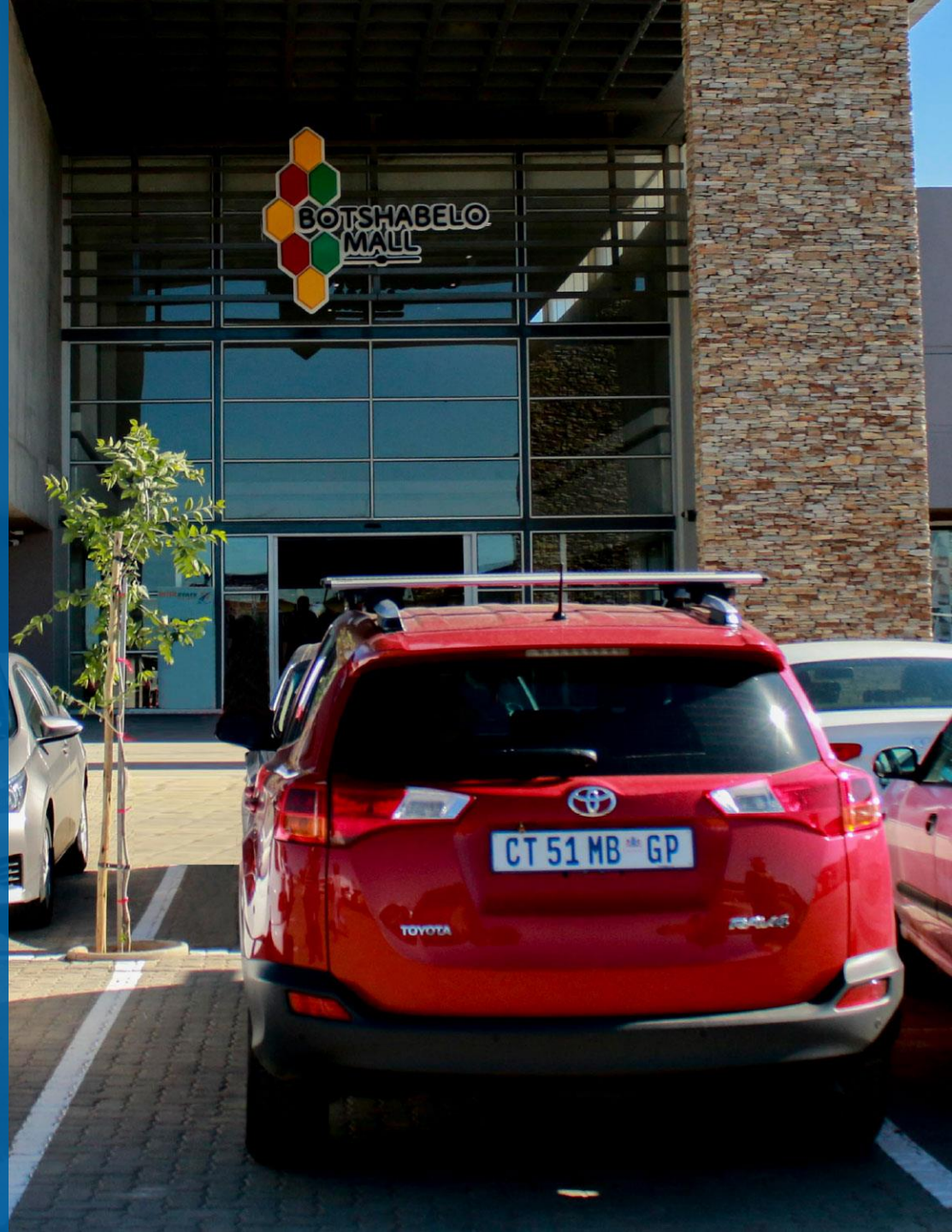
4. Historical ATD and ATD growth updated due to the inclusion of updated turnovers.

Note: Asset Management Executive: Brian Unsted.



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Botshabelo Mall



Retail	Dec 2019	Jun 19	Dec 18	Jun 18
Average net rental (R/m ²)	132	130	124	122
Vacancy (%)	5.2	4.6	5.8	7.3 ³
L2D CCO Ratio	7.8	7.6	8.4	7.1
Trading density update (R/m ²) ⁴	Dec 2019	Jun 19	Dec 18	Jun 18
Centre	33 457	31 421	29 308	28 261
Growth (%) ¹	14.2	11.2	10.0	13.6
Highest TD growth	Annual TD growth (%)	Annual TD growth (%)	Annual TD growth (%)	Annual TD growth (%)
Specialised foods	63.1	46.6	18.0	29.2
Highest TD growth by attribution ratio ²				
Specialised foods	63.1	46.6	18.0	29.2
Grocery/supermarkets	16.1	14.6	12.2	11.3
Bottle stores	26.1	17.0	(18.7)	n/a
Men's wear	36.4	22.7	11.5	0.6
Health and beauty >500 sqm	29.2	8.3	14.3	34.4

1. Growth is based on trading density over a 12-month rolling period as per Clur Report.

2. Attribution ratio: retail sales contribution % X annual trading density growth %.

3. Includes pre-lets.

4. Historical ATD and ATD growth updated due to the inclusion of updated turnover.

Note: Asset Management Executive: Brian Unsted.



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Melrose Arch



Retail	Dec 2019	Jun 19	Dec 18	Jun 18
Average net rental (R/m ²)	226	244	235	231
Vacancy (%)	5.7	3.3	0.0	1.0 ³
Average escalation (%)	8.1	8.4	84	7.6
Office				
Average net rental (R/m ²)	214	208	198	197
Vacancy (%)	6.5	4.3	4.4	6.9 ³
Average escalation (%)	8.4	8.4	8.1	8.1
Trading density update (R/m ²) ⁴	Dec 2019	Jun 19	Dec 18	Jun 18
Centre	29 905	28 295	26 417	27 334
Growth (%) ¹	13.2	3.5	(6.2)	1.5
Highest TD growth	Annual TD growth (%)	Annual TD growth (%)	Annual TD growth (%)	Annual TD growth (%)
Department stores (>5k m ²)	49.2	32.4	(2.1)	(14.3)
Highest TD growth by attribution ratio ²				
Department stores (>5k m ²)	49.2	32.4	(2.1)	(14.3)
Fine jewellery – high end	31.3	20.7	16.1	(3.4)
Restaurants and coffee shops	9.6	5.7	(5.0)	11.4
Health and beauty >500 sqm	5.1	2.1	1.0	5.9
Luggage	37.8	25.2	(13.0)	(12.7)

1. Growth is based on trading density over a 12-month rolling period as per Clur Report.

2. Attribution ratio: retail sales contribution % X annual trading density growth %.

3. Includes pre-lets.

4. Historical ATD and ATD growth updated due to the inclusion of updated turnover.

Note: Asset management executive: Carmen Collison

Standard Bank Centre

GLA

92 789m²

Average net rental

R78/m²

Vacancy

0%

Umhlanga Ridge

GLA

20 352m²

Average net rental

R128/m²

Vacancy

20.7%

Century City¹

GLA

18 224m²

Average net rental

R163/m²

Vacancy

0%

1. Century City has been sold during the period. However will be removed from L2D portfolio when transfer completes

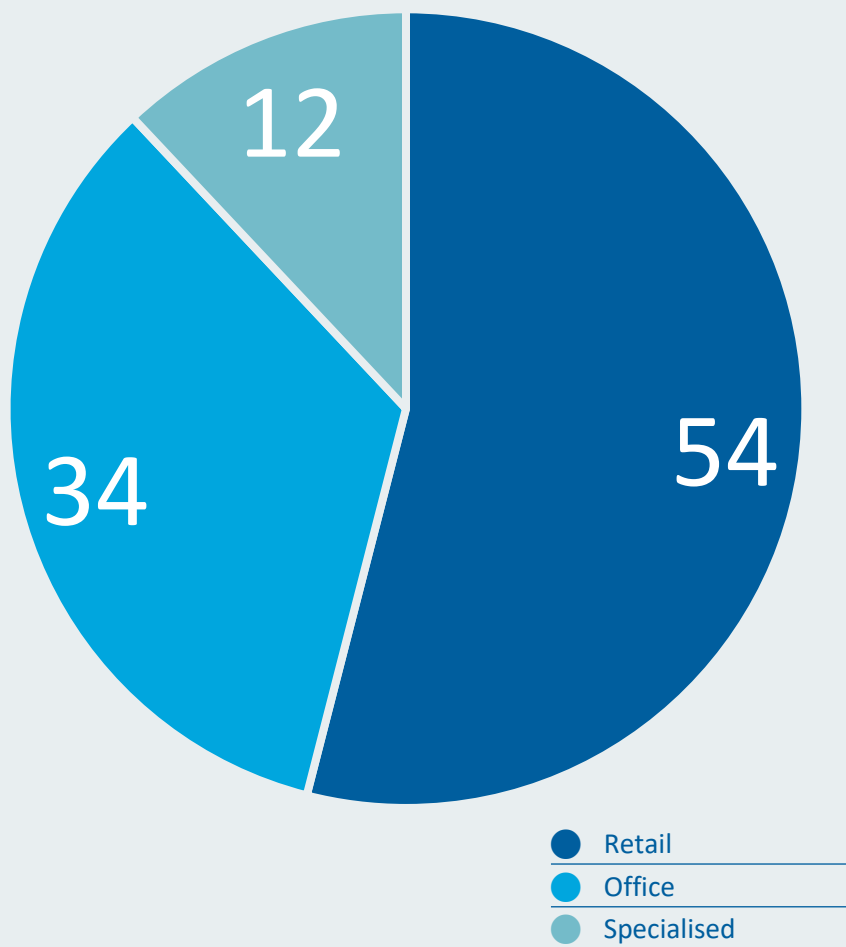
Hotel portfolio statistics

GARDEN COURT SANDTON	2019	2018
Number of Rooms	444	444
Occupancy (%)	73	69
Average Room Rate (R)	1,014	1,034
RevPar (R)	737	711
INTERCONTINENTAL TOWERS SANDTON	2019	2018
Number of Rooms	231	231
Occupancy (%)	67	68
Average Room Rate (R)	1,889	1,930
RevPar (R)	1,261	1,303
SANDTON SUN	2019	2018
Number of Rooms	326	326
Occupancy (%)	63	67
Average Room Rate (R)	1,677	1,662
RevPar (R)	1,060	1,110

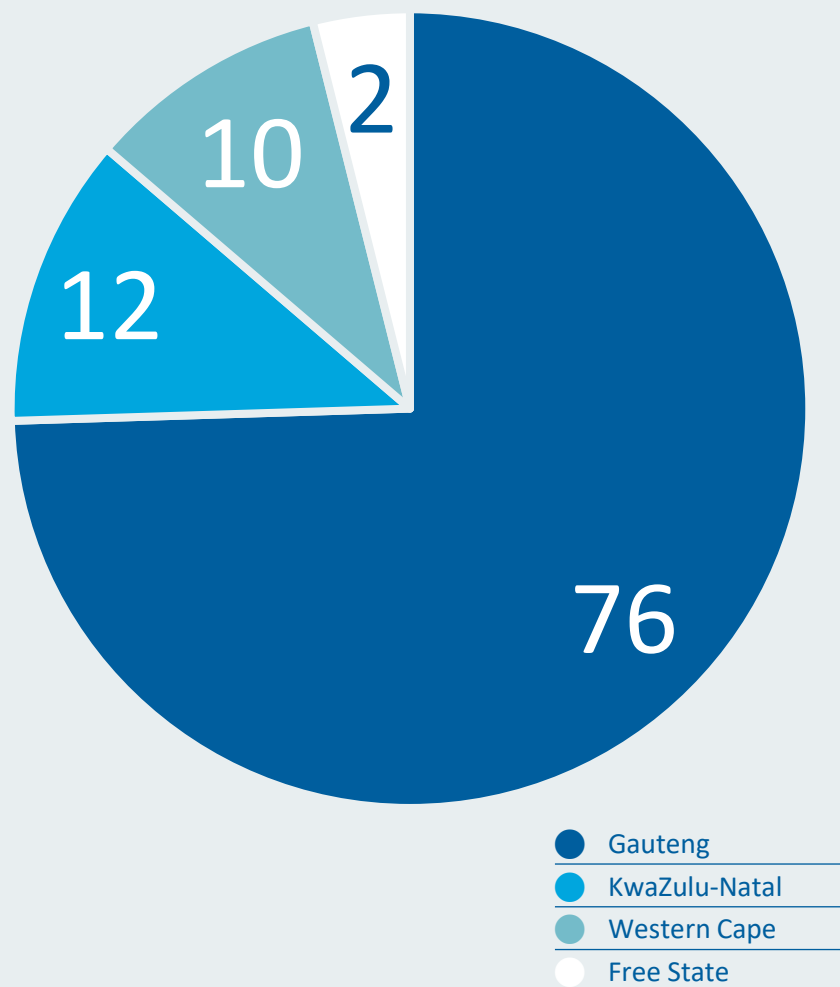
Portfolio profile

47

Sector composition by GLA (m²)
at 31 Dec 2019



Geographic profile by GLA (m²)
at 31 Dec 2019

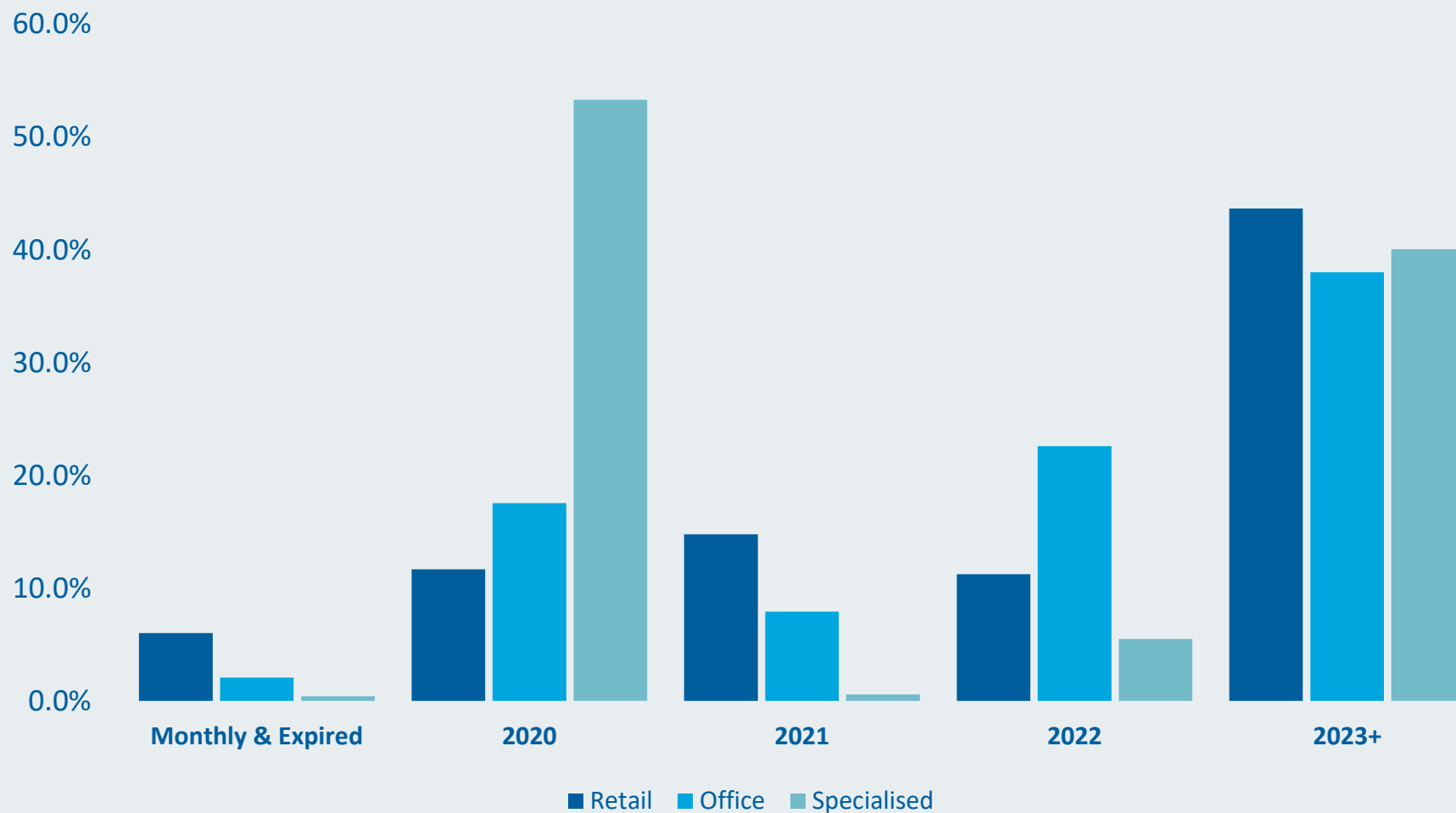


Note: Based on 100% of portfolio GLA

Portfolio profile continued

48

Lease expiry profile by GLA (%)

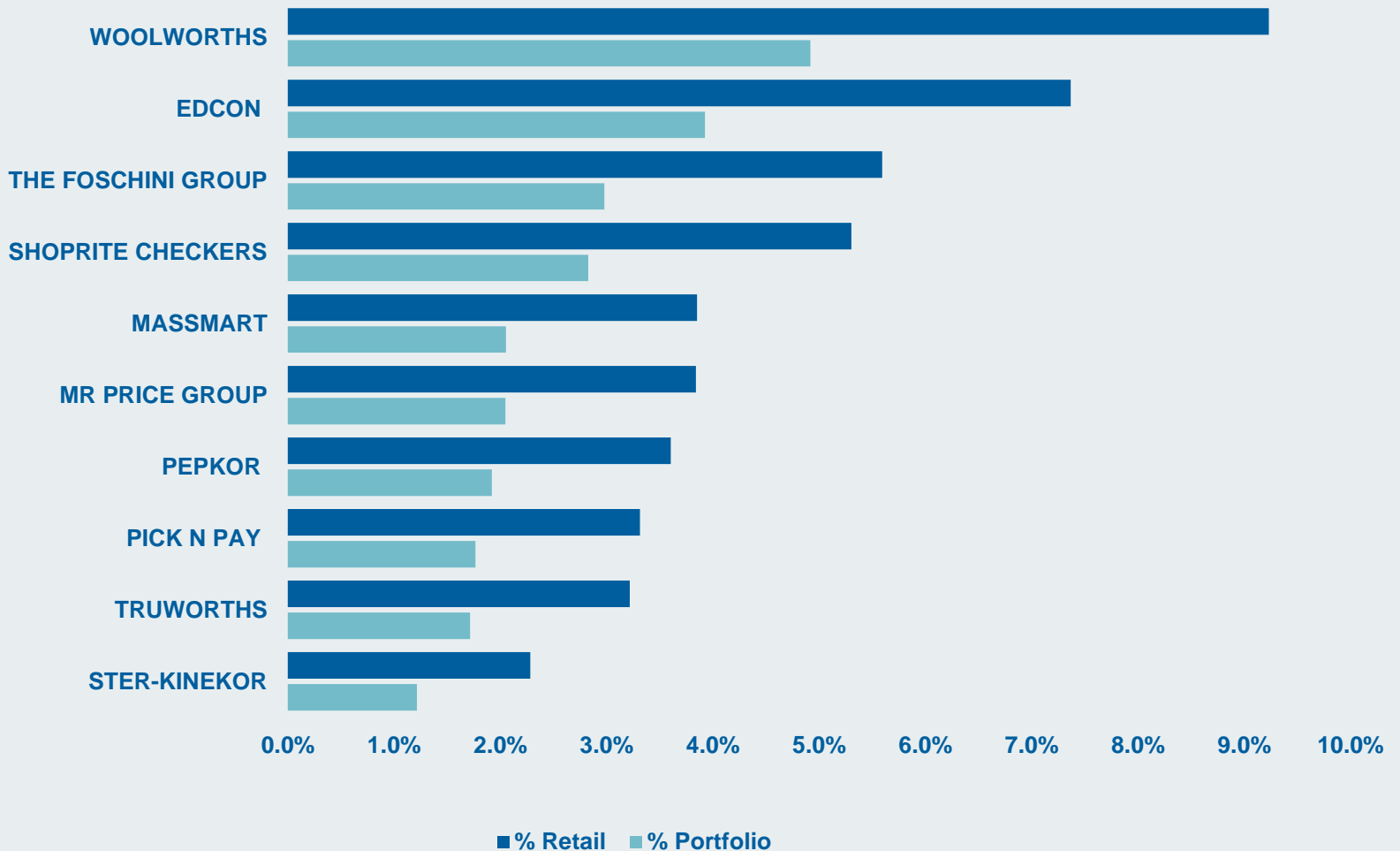


Note: Based on 100% of portfolio GLA

Tenant exposure by GLA

49

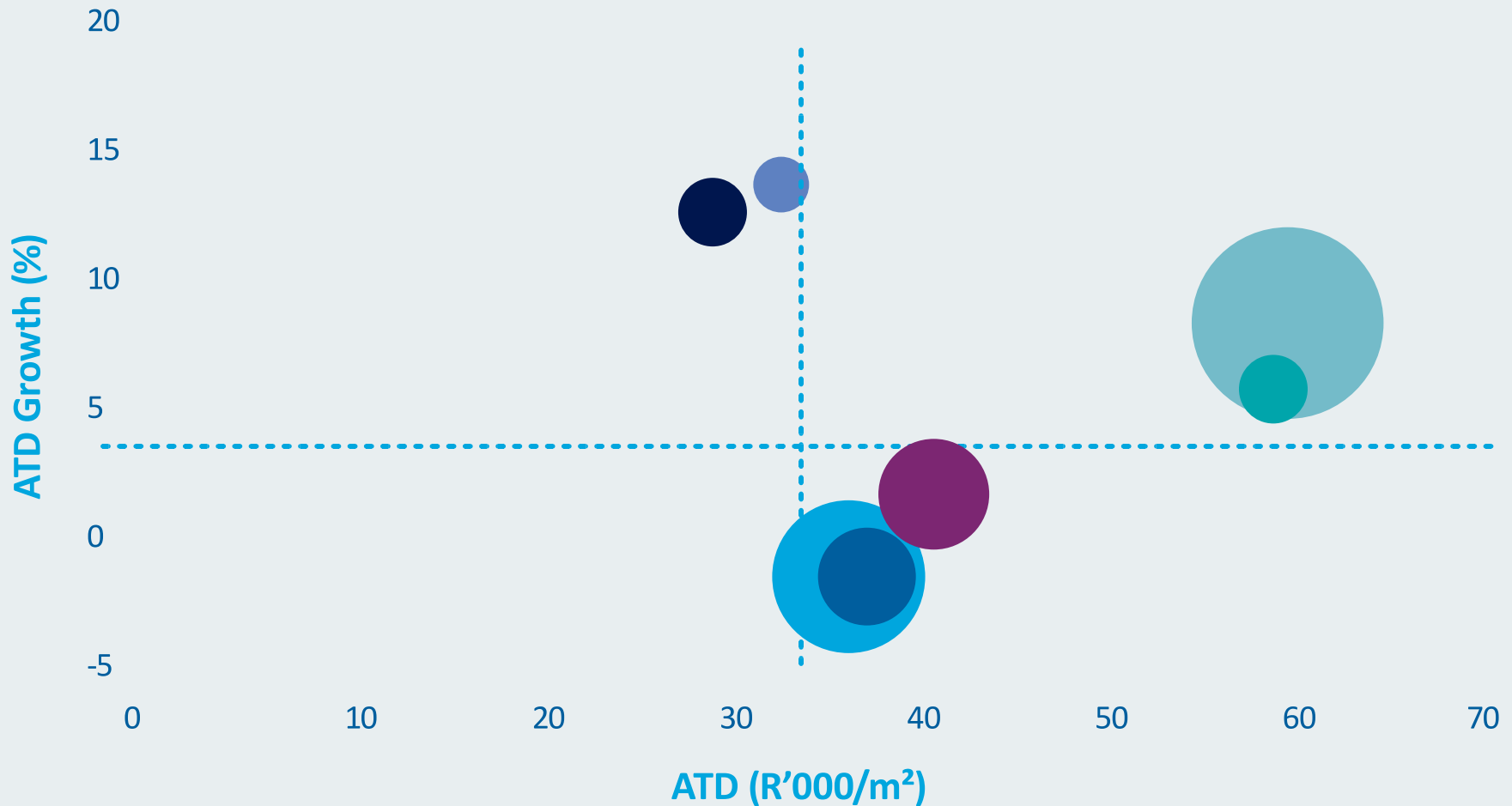
Retail exposure (% GLA)



Note: Based on 100% of portfolio and retail GLA

L2D trading performance positioning

50



Key

Sandton City	Melrose Arch	Midlands Mall	Botshabelo Mall
Liberty Promenade	Eastgate Shopping Centre	Nelson Mandela Square	Clur All Centres Benchmark

Note: The size of the bubbles represents the quantum of turnover that each respective centre contributes to the portfolio.



two°degrees

7

Methodologies



Average rental methodology



Average gross rental

Calculated by total income divided by the total building GLA, as per the annual financial statements.



Average net rental calculation at December 2017, June 2018, December 2018, June 2019 and December 2019:

- Method of calculation was revised, to reflect a more realistic position.
- **Total rent** = basic rent + turnover rent at December 2017/June 2018/ December 2018.
- **Total leased GLA** = total building GLA – vacancies, over the 12/6/12-month period.



Average net rent (R/m²) = total rent divided by total leased GLA.

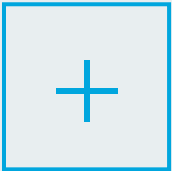


Comprehensive cost of occupation (CCO) ratio methodology



L2D CCO Ratio:

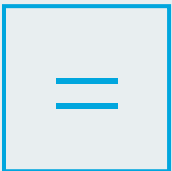
Total Charge (YTD) ÷
Turnover (12 months to December 2019)



Total Charge:

Rent (excluding sundry rent) +
Property expense recovered +
Rates recovered +
Utilities recovered

Rent = basic rent + turnover rent



Turnover:

Total sales for the year

Note: The L2D CCO Ratio captures the true costs of the rental agreement between a retailer and a landlord. Therefore the L2D CCO Ratios are greater than the traditional rent-to-sales ratios in quantity and quality of information since they also acknowledge ancillary costs.

- This document contains forecasts and forward-looking statements that reflect Management's expectations as at February 2020.
- The actual results may vary substantially from those forecasted if known and/or unknown variables do not transpire as predicted or if estimates and assumptions prove inaccurate.
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