

DELTA PROPERTY FUND LIMITED

(Incorporated in the Republic of South Africa)

(Registration number 2002/005129/06)

JSE share code: DLT

ISIN: ZAE000194049

(Approved as a REIT by the JSE)

("Delta")

DISPOSAL OF 6 497 566 SHARES IN GRIT REAL ESTATE INCOME GROUP LIMITED

1. Introduction

Shareholders are advised that Delta has disposed of 6 497 566 shares in Grit Real Estate Income Group Limited ("**Grit**") ("**Grit Shares**") through an off-market transaction at US1.09 (R16.06) per Grit Share, for a total consideration of R104.4 million (the "**Disposal Consideration**") to various UK-based institutional investors (the "**Purchasers**") (the "**Disposal**"). The Disposal has reduced Delta's shareholding in Grit from 7.8% to 5.7%.

The effective date of the Disposal was 29 November 2019.

2. Description of Grit

Grit is a pan-African real estate company focused on investing in and actively managing a diversified portfolio of assets underpinned by predominantly US\$ and Euro denominated leases with multi-national tenants. Grit holds primary listings on both the Main Market of the London Stock Exchange and on the Main Board of the Johannesburg Stock Exchange and a secondary listing on the Official Market of the Stock Exchange of Mauritius Ltd.

3. Rationale for the Disposal

Delta's strategy to reduce debt, supplement capital expenditure as well as replenish working capital is the rationale for the Disposal of its investment in Grit.

4. Disposal Consideration and application of proceeds

The Disposal Consideration of approximately R104.4 million was utilised to settle debt facilities with Investec Bank and is in line with Delta's stated capital recycling and debt reduction strategy.

5. Terms and conditions of the Disposal

5.1 Disposal Consideration

The Disposal Consideration was paid in cash, by the Purchasers to Delta against transfer of the Grit Shares in the name of the Purchasers.

5.2 Conditions precedent

The Disposal was not subject to any conditions precedent.

6. Value of net assets and fair value loss attributable to the Disposal

The fair value of the net assets that are the subject of the Disposal as contained in Delta's unaudited condensed consolidated interim results for the six months ended 31 August 2019 is R113.7 million. The fair value loss for the period attributable to the net assets that are the subject of the Disposal is R9.3 million after taxation.

The financial information contained in this announcement is the responsibility of the directors of Delta and has not been reported on or reviewed by Delta's auditors.

7. Categorisation

The Disposal constitutes a Category 2 transaction in terms of the JSE Limited Listings Requirements and accordingly does not require approval by Delta shareholders.

Johannesburg
17 January 2020

Corporate adviser and Sponsor
Nedbank Corporate and Investment Banking, a division of Nedbank Limited