

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" or the "Company")

UPDATE AND RENEWAL OF CAUTIONARY, AND CHANGES TO THE BOARD OF DIRECTORS

Delta shareholders are referred to the cautionary announcement issued on SENS on 21 September 2020 where the Board of Directors of Delta ("the Board") advised shareholders of an investigation into circumstances that had arisen, and which may have a material effect on the price of Delta's shares.

By way of update, the Board wishes to inform shareholders that the forensic investigation work has now been concluded, and that a final issued report is expected shortly. The forensic investigation was conducted by Mazars Forensic Services ("Mazars"). The forensic investigation is a second forensic investigation following an anonymous tip-off through the Company's whistle-blowing programme in relation to alleged procurement irregularities and misappropriation of funds by senior executives, which investigation initially covered the period 01 March 2018 to 30 April 2020.

On first becoming aware of the allegations, the Board initiated a preliminary investigation, and subsequently a forensic investigation into the matter ("the first forensic investigation"). It further subsequently sought external legal advice. Following receipt of the preliminary findings of the first forensic investigation: (i) the then Chief Executive Officer and Chief Financial Officer tendered their resignations with immediate effect; and (ii) the then Chief Operating Officer elected not to complete his notice period, as announced to the market through SENS on 24 August 2020.

The Board has subsequently engaged with its auditor, BDO South Africa Incorporated ("the auditor") in respect of the preliminary forensic findings and the circumstances surrounding the resignation of the relevant directors.

Following the Board's disclosures of the preliminary findings of the first forensic investigation to the auditor, the auditor issued a letter to the Independent Regulatory Board of Auditors in terms of section 45 of the Auditing Professions Act, regarding reportable irregularities, and subsequently advised the Board accordingly. The auditor is currently conducting additional audit procedures into the matters in light of the new information that came to their attention post sign off of their audit opinion. Shareholders should note that, subject to the further findings of the auditor, the auditor will consider the implications on the audit opinions issued.

The Board has also reported the preliminary findings of the first forensic investigation to the relevant authorities for further investigation.

Following the final report and findings issued by Mazars on the first forensic investigation, the Board further engaged Mazars to conduct a follow-up forensic investigation covering the period 01 March 2017 to 31 August 2020, with further emphasis on the double payment of commissions and improper procurement processes ("the second forensic investigation"). The Board will update shareholders once Mazars has issued its final report in respect of the second forensic investigation.

Delta shareholders are advised that the full impact of the investigations and, in particular the outcome of the further procedures by the auditor and its impact on the Company's historical financial statements, are still being determined, and that these circumstances may have a material effect on the price of the Company's securities. Accordingly, Delta shareholders are advised to continue exercising caution when dealing in the Company's securities until a full announcement is made.

The information on which this announcement is based has not been reviewed or reported on by BDO.

#### EXECUTIVE APPOINTMENT UPDATE

On 24 August 2020 the Board issued a SENS announcement advising of the appointment of Mrs Bongi Masinga and Mrs Marelise de Lange as the interim Chief Executive Officer ("CEO") and Chief Financial Officer ("CFO"), respectively. The Board advises shareholders that the process to recruit both a CEO and CFO is currently underway; further details will be provided as the appointment process progresses.

#### CHANGES TO THE BOARD OF DIRECTORS

Shareholders are advised that Mr MJN (JJ) Njeke has resigned as lead independent non-executive director from the Board and as chairman of the audit, risk, and compliance committee with effect from 30 November 2020, as part of his desire to reduce his board commitments and focus on his business interests. The Board is grateful to JJ for his stewardship and commitment to Delta and the Board during his tenure.

In light of JJ's resignation, the Board will appoint a new chairman to the audit, risk, and compliance committee, as well as a new lead independent non-executive director to the Board, in due course. Additionally, the Board believes that the Delta board will be fortified by the appointment of new directors with experience in property, accounting and finance, as well as mergers and acquisitions. Announcements in this regard will be made in due course.

#### RESULTS ANNOUNCEMENT

The Company expects to release its reviewed results for the six months ended 31 August 2020 on or about 30 November 2020.

3 November 2020  
Johannesburg

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