

SPEAR REIT LIMITED

(Incorporated in the Republic of South Africa)

(Registration number 2015/407237/06)

Share Code: SEA

ISIN: ZAE000228995

LEI: 378900F76170CCB33C50

Approved as a REIT by the JSE

("Spear" or "the Company")



SPEAR
REIT LIMITED

PRE-CLOSE INVESTOR PRESENTATION AND TRADING UPDATE

Shareholders are referred to the announcement published on SENS on 17 August 2021, advising that Spear's pre-close investor presentation and trading update in relation to the six-month period ended 30 August 2021, will be held at 12h00 SAST today, Tuesday, 31 August 2021, via a virtual presentation.

Shareholders are reminded that the presentation details are as follows:

- View and listen mode
- Link: https://youtu.be/RAnja0QJN_g
- Presentation slides will be made available on Spear's website shortly before the broadcast of the presentation under investor relations / financial results / presentations, at the following link: <https://spearprop.co.za/investor-relations/>
- Questions may be e-mailed during the presentation to: info@spearprop.co.za

Salient details included in the pre-close investor presentation and trading update are as follows:

- Amidst tough trading conditions the portfolio has navigated the interim period with forecast aligned collections and occupancy rates. Portfolio performance has been sound in the light of the ongoing Covid-19 operating environment;
- 95.06% of revenue billed has been collected (94.15% compared to budget);
- Spear has R150 million of cash availability, no going concern risks, solvency & liquidity tests have been passed;
- Average cost of debt reduced by 18 bps during the interim period to 7.08% and R280 million of debt was refinanced during the interim period;
- a 94% tenant retention rate on lease renewals during interim period on circa 79 826m2 of space that came up for renewal;
- Year-to-date July 2021, rental reversion achieved a combined negative 5.79% across all sectors, excluding hospitality.
- New fixed lease at 15 on Orange commenced 15 August 2021 with a positive rental reversion of 221.24%;

- Total Potrfolio rental reversion positive 24.52% (Office, Industrial, Retail & Hospitality);
- TNAV as at the end of July 2021 is R11.86, being a 3.13% increase from prior year end;
- Loan to Value (“**LTV**”) as at the end of July 2021 is 46.26% and no significant total portfolio fair value decrease is expected at interim period end;
- Interest cover as end July 2021 is 2.15x from 2.11x at prior year end;
- A interim distribution will be made and announced in October 2021 interim results announcement; and
- Payout ratio to be within a range of 80% to 95% of distributable income per share (DIPS) .

Cape Town
31 August 2021

Sponsor
PSG Capital



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