



Oryx Properties Limited

(Incorporated in the Republic of Namibia)

(Registration number 2001/673)

Share Code: ORY

ISIN Code: NA0001574913

COVID-19 OPERATIONAL UPDATE

This update is intended to advise unitholders of the potential impact of the Covid-19 pandemic, on our business. The situation remains uncertain and we shall continue to monitor the anticipated impacts on our business as circumstances change, while we will continue to regularly update our unitholders.

Oryx Properties Limited ('Oryx') supports the actions taken by the Namibian Government to limit the spread of Covid-19 and to safeguard the health of our citizens, and we are committed to play our part in ensuring the health and safety of all our stakeholders.

Namibian Operational Update

Since the lockdown was announced on 28 March 2020 only those tenants classified as essential service providers could continue to trade.

Oryx is dealing with all requests from tenants for rent relief as a result of the lockdown regulations during the lock down period as well as any additional concerns they might have on a case-by-case basis, based on the Property Industry Group Retail Tenant Assistance Relief Package (published by way of two press releases in South Africa on 7 April 2020 and 27 April 2020 respectively) as a guiding framework. Several supportive and mutually beneficial options such as rent reductions or extended payment terms are being considered with the intention of recovering these deferrals at a later stage to the extent possible. Our continued focus is to support all our tenants through these times and to assist them to navigate their businesses through the months after the lockdown period ends. To date Oryx has provided tenants with relief offers for the month of April 2020 and will consider additional relief measures (if any) for the month of May 2020 in due course.

The lifting of the lockdown announced on 30 April 2020 (commencing 5 May 2020) will see all our tenants being able to trade again apart from restaurants (to operate as take-aways), cinemas and gyms. This is a positive development for Oryx as our tenants have been negatively impacted during this period and should ease the necessity for rent relief measures.

Oryx is making steady progress with rent collection under these difficult times and are actively monitoring our debtors' balances. A credit committee was formed to which all applications for rental concessions or payment deferrals are submitted. To date, the committee has approved N\$9.3million of rental reductions for April 2020 alone. We are closely monitoring tenants who have not yet paid their April rent.

Vacancies remain in line with our half year results with no significant increase. This is closely monitored as part of the credit committee's responsibility.

Oryx is further ensuring that all necessary measures and precautions are being taken at our properties to ensure the health and safety of our customers. The measures implemented include, but are not limited to:

1. Deploying additional cleaning resources in the retail outlets.
2. Free parking for all our customers.

3. Hand sanitizing stations at all entrances.
4. Removal of public seating areas.
5. Working in conjunction with our tenants to ensure that the rules in terms of social distancing and number of shoppers per shop are adhered to.
6. Large disinfection initiative of retail facilities during night hours to ensure our malls remain safe to the public.

Croatia operational update

Croatia implemented measures similar in extent and impact to those implemented in terms of the Namibian lockdown from 20 March 2020 particularly as regards retail and the types of stores which may remain open.

VMD which holds the head lease over VMD Office Block in Zagreb, has requested and been granted a 15% rental reduction for the months of April and May 2020, which is passed on to the sub-tenants in full. It is expected that some assistance will need to be provided to Konzum (the main retail tenant), which holds the head lease over Croatian retail assets. We have engaged with Konzum and will follow a similar approach as guided by the Property Industry Group Retail Tenant Assistance Relief Package detailed above.

Unitholders are further referred to the SENS announcement made on 20 March 2020 of the sale of the Vukovarska property in Zagreb for an amount of €12 422 707 (an 11% premium to book value). We are pleased to advise that, despite lockdown restrictions in Croatia, all conditions precedent have been met and transfer is anticipated to take place within the next two weeks. The proceeds anticipated to be €2.28m will be paid into the Oryx Euro flexi reserve facility which will reduce our debt, improve our gearing and somewhat reduce currency risk exposure to local security on the Euro loan.

Balance sheet management

Oryx remains committed to protecting its cash flow and strengthening its balance sheet with a key focus on managing our gearing and loan maturity. Unitholders are advised that the N\$100million facility communicated to unitholders as part of our half year results has not materialized as intended and will impact available facilities. Oryx is however engaging with all financiers with regard to relief measures which are available as a result of Covid-19 to further assist with protecting cash flows and easing the possible financial constraints due to Covid. Unitholders should note that at this point, that to date no formal relief has been received from our financiers.

The deterioration of the NAD to Euro exchange rate has resulted in an increase in gearing for the month of April but is still below our internal limit of 40%. During the previous financial year all gearing definitions with financiers, except for ABSA, were amended to include the investment from associate in the asset base for determining gearing. Management is currently in discussions with ABSA to amend this definition. It should be noted that the ABSA gearing covenant is 55% and not 50% as is the case with other financiers.

GCR Rating

On 23 April 2020 GCR Ratings ('GCR') revised the national scale long-term and short-term Issuer Ratings assigned to Oryx Properties Limited on criteria change to BBB(NA) and A3(NA), respectively, from BBB+(NA) and A2(NA) previously. The rating change is attributable to the Namibian operating environment, and liquidity and leverage constraints within Oryx. The outlook was revised to stable from negative which was based on the GCRs expectation that the banks will continue to support the fund through a protracted period of considerable uncertainty, and that Oryx will sustain its cash preservation initiatives in the short term.

Corporate Social Responsibility ('CSR') update

Oryx has partnered with the City of Windhoek through the Mayoral Relief Fund project assisted by various tenants/donors to provide food packages to some of the communities in need. A total number of 711 households benefited from this first phase. Oryx is further exploring the next phase of this project to determine where further assistance can be provided. The Board has also committed

N\$500,000 towards social initiatives specifically during the Covid-19 pandemic that will be rolled out over a few months.

Governance update

Oryx has established a Covid-19 committee comprising all the Chairs from the respective Board committee. This Committee meets on a regular basis to discuss any urgent and relevant matters.

The key items discussed are:

- Regulatory considerations
- Financial performance and forecasts
- Scenario planning
- Rental relief packages
- Social Corporate initiatives
- Communication Requirements during/post Covid-19
- Risk Assessments

Communication with unitholders

Unitholders are encouraged to reach out to Oryx management should there be any questions or concerns. Unitholders are reminded that only information that is available within the public domain can be shared and that all price sensitive information will be communicated via SENS. Unitholders are further encouraged to follow all our electronic communication channels for general updates of Oryx which may include our website, press releases, social media and more.

By order of Board of Directors

05 May 2020

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