

TRANSCEND RESIDENTIAL PROPERTY FUND LIMITED

(Incorporated in the Republic of South Africa)

Registration number 2016/277183/06

JSE Code: TPF ISIN: ZAE000227765

(Approved as a REIT by the JSE)

("Transcend" or "the Company")



BUSINESS UPDATE

Further to the announcement published on SENS on 6 April 2020, the Company wishes to provide Shareholders with an update on the impact of the COVID-19 pandemic ("the Pandemic") on the Company's business and operations to date.

COVID-19 environment

The safety and well-being of Transcend's employees, tenants and stakeholders remain the priority of the Company's board of directors in its response to the Pandemic, particularly as lockdown regulations are relaxed.

Business update*Liquidity management*

Transcend continues to focus its efforts on maintaining sound financial and liquidity positions and is currently able to meet all of its debt obligations. The business continues to generate strong cashflows at a property level. Monthly and quarterly rental collections and occupancies remain relatively uninterrupted to date, proving residential property as a defensive asset class.

Operational update

Transcend is in constant communication with tenants, staff and key service providers to keep abreast of their circumstances as they respond to their own challenges brought about by the Pandemic. The Company has successfully implemented an income declaration process for tenants whose income has been affected and has implemented recommended best practice COVID-19 preventative measure protocols at its properties and business premises. The Company has also contributed to the Solidarity Response Fund.

Portfolio performance

Transcend's portfolio has achieved the following results to date:

- portfolio occupancies of 95.5% and an average collection of rental income of 95.6% for the first quarter ended 31 March 2020;
- occupancies of 94.6% for April 2020;
- collections of rental income of 92% and 95% for April 2020 and May 2020, respectively; and
- a collection rate of 94.5% for the period from 1 January 2020 to 31 May 2020.

Notwithstanding the pleasing portfolio statistics shown above, Management and the Board are aware that the negative effects of the Pandemic on the South African economy and the economic well-being of its citizens may continue to affect business and operating conditions in both the short- and the long-term.

Management and the Board extend their appreciation to tenants, staff, service providers, property managers and all other stakeholders for their commitment and patience during the Pandemic. We are all in it together.

Bryanston
12 June 2020

Sponsor



Questco Corporate Advisory Proprietary Limited