PROVISIONAL SUMMARISED REVIEWED CONSOLIDATED FINANCIAL STATEMENTS

for the twelve months ended 29 February 2020

CASTLEVIEW PROPERTY FUND

DIRECTORS' COMMENTARY

NATURE OF BUSINESS

Castleview is a property holding and investment company that is invested in a well-located small regional shopping centre in the Eastern Cape ("Castleview" or the "Company").

PROPERTY PORTFOLIO

Castleview's property portfolio consists of one property, namely Pier 14 Shopping Centre in Govan Mbeki Road, Port Elizabeth, which is defined as a small regional shopping centre with 29 689m^2 of rentable space and is anchored by large national tenants such as Shoprite, Pep, Ackermans and Mr Price.

FINANCIAL RESULTS

Revenue for the financial period was R45.5 million, which realised an operating profit before fair value adjustments of R28.1 million. After allowing for fair value adjustments, the net cost of finance and tax, total comprehensive income was R20.4 million. Basic and diluted earnings were 61.36 cents per share and distributable earnings 32.05 cents per share.

Total dividends per share for the year amounted to 51.18 cents, an increase of 37.5%, comprised as follows:

- an interim dividend of 16.71 cents for the six months to August 2019, which was paid in November 2019;
- a dividend of 18.26 cents paid in November 2019 as a result of extra profits in the financial year ended February 2018;
- a dividend of 0.87 cents for the six months ended 28 February 2019 as a result of extra profits in the financial year ended February 2019, which will be paid together with the final divided for the six months ended 29 February 2020;
- a final dividend of 15.34 cents per share for the six months ended 29 February 2020.

Castleview's statement of financial position comprised assets of R352.3 million at period end, with one property valued at R345.5 million. The property was funded with senior bank debt of R129.6 million and a shareholder's loan of R36.6 million, resulting in a loan to value of 48.1%.

Castleview's net asset value per share equated to R5.15 at financial year-end which represents year-on-year growth of +1.4% (2019: R5.08).

MARKET CONDITIONS

The South African commercial real estate industry has been severely impacted by the very muted local economic growth, which only amounted to 0.7% in 2019, down from 0.8% in 2018 and also saw the country entering into a technical recession in the fourth quarter of 2019.

This has resulted in the fundamentals for all of the major sectors being depressed: offices are suffering from continued high vacancies; retailers are not seeing real growth in turnover which has impacted their ability to pay escalating rentals to retail landlords, and even the relatively outperforming industrial sector is seeing minimal rental growth. Moreover, all three sectors are suffering from operating costs that are rising by more than revenue, further reducing bottom line income growth.

This was the status quo even before the impact of the COVID-19 virus on the global and South African economy, which began subsequent to the financial year-end in March 2020.

PORTFOLIO PERFORMANCE

Notwithstanding the tough economic conditions, total sales by tenants located at Pier 14 rose by 2.8% in the financial year as a result of new leases having been concluded, as well as the inherent growth in turnover from the centre's existing, diversified tenant base. This brought compound growth in turnover over the past three years to 3.6% per annum, while foot traffic grew by 1.6% in the past year and by 1.7% compound over three years.

The portfolio vacancies rose from 8.7% of GLA at 28 February 2019 to 11.5% at 29 February 2020. Although retail vacancies declined during the period from 11.2% to 7.2%, vacancies in the office tower rose due to the work required to convert this office space to 111 residential apartments between May and December 2019.

Leasing of the residential units commenced in late 2019, with occupancy effective from 1 January 2020. By 29 February 2020, occupancy in the residential units at financial year end was 47.8%, with a steady take up of units being seen each month.

	29 February 2020			28 February 19		
	GLA	Vacant GLA	Vacancy %	GLA	Vacant GLA	Vacancy %
Retail	**23 235**	**1 663**	**7.2%**	23 413	2 616	11.2%
Office	**4 115**	**531**	**12.9%**	6 968	31	0.4%
Residential	**2 339**	**1 221**	**52.2%**	–	–	–
Total	**29 689**	**3 415**	**11.5%**	**30 381**	**2 647**	**8.7%**

DIRECTORS' COMMENTARY (continued)

The new residential tower is expected to increase the cash flow from Pier 14, diversify the income stream, as well as bring increased foot traffic to the retail tenants, with the associated benefit to tenant turnover at the centre.

Notwithstanding the cancellation of the head lease over the office tower and the resultant vacancies, net income from Pier 14 declined only marginally from R30.1m to R29.7m on a year-on-year basis.

SUMMARY OF FINANCIAL INDICATORS

	29 February 2020	28 February 2019
Shares in issue	**34 188 520**	33 000 000
Distributable earnings per share	**36.33 cents**	35.92 cents
Dividend per share**	**32.05 cents**	37.23 cents
Net asset value per share	**R5.15**	R5.08
Loan-to-value ratio*	**47.1%**	44.4%
Property cost-to-income ratio	**35.2%**	35.9%

* *The loan-to-value ratio is calculated by dividing interest bearing borrowings net of cash on hand by the total of investment property.*

** *The dividend per share for February 2020 excludes the special dividend of 18.26 cents paid in November 2019, and the dividend of 0.87 cents declared out of distributable income from February 2019*

SECTORAL SPLIT, LEASE EXPIRY PROFILE AND VACANCIES

	February 2020		February 2019	
	GLA	Gross rentals	GLA	Gross rentals
Sectoral split				
Based on:				
Retail	**78.2%**	**84.2%**	77.1%	81.0%
Office	**13.9%**	**11.3%**	22.9%	19.0%
Residential	**7.9%**	**4.5%**	–	–
	100.0%	**100.0%**	**100.0%**	**100.0%**
Lease expiry profile (unreviewed)				
Based on:				
Vacant	**11.5%**	**13.5%**	8.7%	9.1%
Monthly	**1.4%**	**1.5%**	8.8%	9.2%
Year 1	**29.9%**	**26.7%**	12.7%	15.1%
Year 2	**18.4%**	**18.7%**	29.4%	24.8%
Year 3	**15.6%**	**18.3%**	15.8%	15.0%
Year 4+	**23.2%**	**21.3%**	24.6%	26.8%
	100.0%	**100.0%**	**100.0%**	**100.0%**

DIRECTORS' COMMENTARY (continued)

LOAN FUNDING

During the year under review, Castleview's drawn down facilities have increased moderately as a result of the capital expenditure for the residential apartments which totalled R23.1m. Total drawn down facilities were R166.2 million, representing a loan to value of 48.1%. Interest cover stood at in excess of 1.8 times.

Subsequent to year-end, the fund has paid back R28.0m of the shareholder's loan from URP1 through a drawdown from the undrawn ABSA Bank facilities. The ABSA facility, which is secured by a first mortgage bond and security cessions over the fixed property comprising Pier 14 Shopping Centre, has, subsequent to year-end, also been amended to allow for the capitalisation of interest for a period of up to six months due to the COVID-19 pandemic and the repayment date has been extended to April 2021.

Facility	Approved Loan R'm	Amount drawn down at February 2020 R'm	Interest rate
ABSA Bank	165.0	129.6	Floating prime less 1% (8.75%)
	(Feb 2019: 165.0)	(Feb 2019: 110.3)	(Feb 2019: 9.25%)
Urban Retail Property Investments 1 (URP1)	28.4	36.6	Floating prime less 0.25% (9.5%)
	(Feb 2019: 28.4)	(Feb 2019: 33.2)	(Feb 2019: 10.0%)

* *Interest on this facility is capitalised to the loan for the duration of the loan*

OUTLOOK

The spread of the COVID-19 virus globally in 2020 has had a significant impact on global economic growth and the government enforced lockdown, which commenced in South Africa on 27 March 2020 has meaningfully reduced foot traffic and turnover at the Pier 14, despite certain tenants' ability to continue trading. This has resulted in Castleview having to accommodate tenants in the form of rental relief and rental deferral.

The full financial impact of the COVID-19 pandemic will only be possible to accurately estimate once the lockdown has substantially ended and the majority of tenants are able to return to trading. Even then, it will take time for tenants to recover back to pre-COVID-19 levels. As a result, it is currently too early to provide shareholders with guidance for distributions for the coming year.

CASTLEVIEW PROPERTY FUND LTD SUMMARISED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 29 FEBRUARY 2020

	Notes	Reviewed 29 February 2020 R	Audited 28 February 2019 R
ASSETS			
Non-current assets			
Property, plant and equipment		–	1 218 296
Investment property	3	338 798 677	309 400 474
Operating lease asset	4	6 701 323	4 381 230
		345 500 000	315 000 000
Current assets			
Trade and other receivables		3 223 413	3 529 488
Cash and cash equivalents	5	3 549 206	3 675 738
Total current assets		6 772 619	7 205 226
Total assets		352 272 619	322 205 226
EQUITY AND LIABILITIES			
Equity			
Share capital		171 025 800	165 000 000
Accumulated profit		5 064 936	2 611 664
Non-controlling interest		189 831	182 658
		176 280 567	167 794 322
Liabilities			
Non-current liabilities			
Mortgage bond	6	–	110 302 437
Loan from parent company		36 063 748	32 679 312
		36 063 748	142 981 749
Current liabilities			
Trade and other payables		9 760 232	9 211 787
Loan from parent company		573 099	530 370
Mortgage bond	6	129 593 297	–
Current tax payable		–	1 686 998
Bank overdraft		1 676	–
		139 928 304	11 429 155
Total liabilities		175 992 052	154 410 904
Total equity and liabilities		352 272 619	322 205 226

CASTLEVIEW PROPERTY FUND LTD SUMMARISED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 29 FEBRUARY 2020

	Notes	Reviewed TWELVE months ended 29 February 2020 R	Audited TWELVE months ended 28 February 2019 R
Revenue		**45 492 823**	39 985 959
Other operating expenses		**(17 429 982)**	(15 796 994)
Operating profit		**28 062 841**	24 188 965
Investment income		**84 297**	567 462
Finance costs		**(15 179 776)**	(14 857 214)
Gain on fair value adjustment	3	**5 776 037**	709 632
Profit before taxation		**18 743 399**	10 608 845
Taxation		**1 686 998**	(442 630)
Profit and total comprehensive income for the year		**20 430 397**	10 166 215
Profit and total comprehensive income attributable to:			
Owners of the parent		**20 405 272**	10 157 461
Non-controlling interest		**25 125**	8 754
		20 430 397	10 166 215
Earnings per share information (cents per share)			
Basic and diluted earnings per share	7	**61.36**	30.78

CASTLEVIEW PROPERTY FUND LTD SUMMARISED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 29 FEBRUARY 2020

	Share capital R	Accumulated profit R	Total attributable to equity holders of the group R	Non-controlling interest R	Total equity R
Audited					
Balance at 1 March 2018	165 000 000	3 845 546	168 845 546	186 660	169 032 206
Profit and total comprehensive income for the year	–	10 157 461	10 157 461	8 754	10 166 215
Dividends		(11 391 343)	(11 391 343)	(12 756)	(11 404 099)
Reviewed					
Balance at 1 March 2019	165 000 000	2 611 664	167 611 664	182 658	167 794 322
Issue of shares	6 025 800	–	6 025 800	–	6 025 800
Profit and total comprehensive income for the year	–	20 405 272	20 405 272	25 125	20 430 397
Dividends		(17 952 000)	(17 952 000)	(17 952)	(17 969 952)
Balance at 29 February 2020	171 025 800	5 064 936	176 090 736	189 831	176 280 567

CASTLEVIEW PROPERTY FUND LTD SUMMARISED CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 29 FEBRUARY 2020

	Reviewed 12 months ended 29 February 2020 R	Audited 12 months ended 28 February 2019 R
Cash flows from operating activities		
Cash generated from operations	**27 299 619**	24 344 538
Interest income	**84 297**	567 462
Finance costs	**(11 330 127)**	(10 734 061)
Net cash from operating activities	**16 053 789**	14 177 939
Purchase of property, plant and equipment	**–**	(626 963)
Additions to investment property	**(23 124 176)**	–
Net cash from investing activities	**(23 124 176)**	(626 963)
Cash flows from financing activities		
Proceeds from mortgage bond	**18 868 379**	–
Repayment of mortgage bond	**–**	(54 765 627)
Dividends paid	**(11 926 200)**	(11 391 343)
Net cash from financing activities	**6 942 179**	(66 156 970)
Total cash movement for the year	**(128 208)**	(52 605 994)
Total cash and cash equivalents at the beginning of the year	**3 675 738**	56 281 732
Total cash and cash equivalents at the end of the year	**3 547 530**	3 675 738

SIGNIFICANT FINANCIAL STATEMENT NOTES

1. BASIS OF PREPARATION AND ACCOUNTING POLICIES

The provisional summarised reviewed consolidated financial statements are prepared in accordance with the requirements of the JSE Listings Requirements for provisional reports and requirements of the Companies Act of South Africa. The Listings Requirements require provisional reports to be prepared in accordance with the framework concepts and the measurement and recognition requirements of International Financial Reporting Standards (IFRS) and Financial Pronouncements as issued by the Financial Reporting Standards Council and to also, as a minimum, contain the information required by IAS 34 Interim Financial Reporting. The accounting policies applied in the preparation of the provisional summarised reviewed consolidated financial statements are in accordance with International Financial Reporting Standards ("IFRS") and are consistent with those applied in the preparation of the previous year's consolidated annual financial statements, except as described in note 1.3.

These results have been prepared under the historical cost convention, except for investment properties, which are measured at fair value. These provisional summarised reviewed consolidated financial statements for the year ended 29 February 2020 have not been audited by the company's independent external auditors.

1.1 Measurement of fair value – Investment property

Property comprising of freehold land and buildings that is held for long-term rental yields or for capital appreciation or both, is classified as investment property and recognised as an asset when, and only when, it is probable that the future economic benefits that are associated with the investment property will flow to the enterprise, and the cost of the investment property can be measured reliably.

Investment property is initially recognised at cost. Transaction costs are included in the initial measurement.

Fair value

Subsequent to initial measurement investment property is measured at fair value.

Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the group and the cost of the item can be measured reliably.

A gain or loss arising from a change in fair value is included in net profit or loss for the period in which it arises.

The property is valued using the discounted cash flow method by the directors or external valuers.

The investment property is valued every three years by an external independent registered valuer.

Key assumptions used by the directors and external valuers in determining fair value include the discount rate, market capitalisation rate, expense and income growth rates, initial yield, and the term of the discounted cash flows.

1.2 Financial instruments

Financial assets and financial liabilities are recognised in the Group's statement of financial position when the Group becomes a party to the contractual provisions of the instrument.

Financial assets

The following categories of financial assets are recognised in the statement of financial position: Loans receivable, cash and cash equivalents, and trade and other receivables. These financial assets are classified at amortised cost based on their business model and the fact that repayments comprise solely payments of principal and interest.

Financial liabilities

Financial liabilities are recognised when there is a contractual obligation to deliver cash or another financial asset, or to exchange financial instruments with another entity on potentially unfavourable terms. Financial liabilities consist of loans payable, and trade and other payables. Financial liabilities are initially recognised at cost, and subsequently measured at amortised cost using the effective interest method.

SIGNIFICANT FINANCIAL STATEMENT NOTES (continued)

1. BASIS OF PREPARATION AND ACCOUNTING POLICIES (CONTINUED)

1.2 Financial instruments (continued)

Impairment of financial assets

The group recognises a loss allowance for expected credit losses on trade and other receivables. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial asset.

The group recognises lifetime expected credit losses for accounts receivable and these are estimated by management based on current market conditions and based on the group's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current and forecast direction of conditions.

For all other financial assets, the group recognises lifetime expected credit losses when there has been a significant increase in credit risk since initial recognition. If there has been no significant increase in credit risk, the no loss allowance is recognised.

Critical accounting judgements and key sources of estimation uncertainty

Determining expected credit losses requires assessments of general economic conditions, both current and future, and their impacts on the credit risk of financial assets, as well as using periods that amounts are past due, to indicate levels of credit loss expected. The group considers that default has occurred when a financial asset is more than 60 days past due.

A change in the key assumptions used by management and the external valuers in determining the fair value of the investment property may have a significant impact on the fair value of investment property. These key assumptions include the discount rate, market capitalisation rate, expense and income growth rates, initial yield, and the term of the discounted cash flows. Please refer to note 3 for further information.

1.3 Changes in significant accounting policies

The changes in the accounting policies reflected below are also expected to be reflected in the group's consolidated financial statements as at and for the year ending 29 February 2020.

The group adopted IFRS 16 Leases on 1 March 2019. The Standard has a significant impact on lessees. As the Group has no significant leases from a lessee perspective, there has been no material impact of adopting IFRS 16.

1.4 Leases

Operating leases – lessor

Operating lease income is recognised as an income on a straight-line basis over the lease term.

The difference between the amount received and amount recorded as income is recorded as an operating lease asset on the face of the statement of financial position.

Initial direct costs incurred in negotiating and arranging operating leases are added to the carrying amount of the leased asset and recognised as an expense over the lease term on the same basis as the lease income.

Income for leases is disclosed under revenue in profit or loss, and includes contractual recoveries.

SIGNIFICANT FINANCIAL STATEMENT NOTES (continued)

1. BASIS OF PREPARATION AND ACCOUNTING POLICIES (CONTINUED)

1.5 General

The summarised reviewed consolidated financial statements were compiled by Colin Dockrall CA(SA), the financial director.

Total dividends per share for the year amounted to 51.18 cents, comprised as follows:

- an interim dividend of 16.71 cents for the six months to August 2019, which was paid in November 2019;
- a dividend of 18.26 cents paid in November 2019 as a result of extra profits in the financial year ended February 2018;
- a dividend of 0.87 cents for the six months ended 28 February 2019 as a result of extra profits in the financial year ended February 2019, which will be paid together with the final divided for the six months ended 29 February 2020;
- a final dividend of 15.34 cents per share for the six months ended 29 February 2020. Please see note 10 for further details.

These summarised reviewed consolidated financial statements for the year ended 29 February 2020 have been reviewed by Nolands Inc, who expressed an unmodified review conclusion. A copy of their report is available for inspection at the company's registered office together with the annual financial statements identified in the report. The report does not necessarily report on all the information contained in these financial results. Shareholders are therefore advised that in order to obtain a full understanding of the engagement they should obtain a copy of the review report together with the accompanying financial information from the company's registered office.

The directors take full responsibility for the preparation of these results and confirm that the financial information has been correctly extracted from the underlying financial statements.

2. SEGMENT ANALYSIS

Segment information

At 29 February 2020, the group is organised into one main operating segment, being the Pier 14 Shopping Centre located in Govan Mbeki Road, Port Elizabeth. This is the only reportable segment whose information is considered by the Chief Operating Decision Maker which is the board of directors. As such no further segmental information is provided.

3. INVESTMENT PROPERTY

	Reviewed 29 February 2020 Carrying value R	Audited 28 February 2019 Carrying value R
Group		
Investment property at fair value	**338 798 677**	309 400 474

	Reviewed 29 February 2020 R	Audited 28 February 2019 R
Group		
Reconciliation of investment property		
Opening carrying value	**309 400 474**	308 690 842
Improvements	**23 124 176**	–
Fair value adjustment	**5 776 037**	709 632
Transfer from property, plant and equipment	**497 990**	–
Investment property valuation at year end	**338 798 677**	309 400 474
Recognised in property, plant and equipment	**–**	1 218 296
Operating lease asset	**6 701 323**	4 381 230
Valuation obtained	**345 500 000**	315 000 000

Pledged as security

Mortgage bonds have been registered over the entire investment property as security for the ABSA bond (see note 6).

Details of property

Pier 14 shopping centre

A retail shopping centre located in Port Elizabeth

The property was revalued by an independent valuer (2019: directors' valuation) using the discounted cash flow of future income streams method. The valuation was performed by Michael Gibbons, an independent valuer at Mills Fitchet Magnus Penny & Wolffs. Michael Gibbons is a registered professional property valuer with a National Diploma in Property Valuations. He is a Member of the Institute of Valuers and currently serves on the Executive committee of the Southern Branch of the South African Institute of Valuers.

SIGNIFICANT FINANCIAL STATEMENT NOTES (continued)

3. INVESTMENT PROPERTY (CONTINUED)

The key assumptions used by the independent valuer in determining the fair value were as follows:

	2020	2019
• Discount rate	15.50%	15.00%
• Market cap rate	9.50%	9.52%
• Expense growth rate	7.00%	7.00%
• Income growth rate	6.00%	6.00%
• Initial yield	9.25%	9.66%
• Discounted cash flow term	10 years	10 years

Details of valuation

Inter-relationship between key unobservable inputs and fair value measurements

The estimated fair value would increase/(decrease) if:

- Discount rate was lower/(higher);
- Capitalisation rate was lower/(higher);
- Expected expense growth rate was lower/(higher);
- Expected market rental growth rate was higher/(lower);
- Initial yield was lower/(higher);

	Reviewed 29 February 2020 R	Audited 28 February 2019 R
Amounts recognised in profit and loss for the period		
Rental income from investment property	45 492 823	39 985 959
Direct operating expenses from rental generating property	(16 010 174)	(14 358 134)
	29 482 649	25 627 825

Fair value hierarchy

The table below analyses assets and liabilities carried at fair value.

The levels are defined as follows:

Level 3: Unobservable inputs for the assets and liabilities.

	Reviewed 29 February 2020 R	Audited 28 February 2019 R
Level 3		
Recurring fair value adjustments		
Assets		
Investment property		
Pier 14 Shopping Centre*	345 500 000	313 781 704

* *Includes investment property and operating lease asset.*

During the current year significant capital costs were incurred to convert the office space to residential apartments for letting.

SIGNIFICANT FINANCIAL STATEMENT NOTES (continued)

3. INVESTMENT PROPERTY (CONTINUED)

The spread of the COVID-19 virus globally in 2020 has had a significant impact on global economic growth and the government enforced lockdown, which commenced in South Africa on 27 March 2020 has meaningfully reduced foot traffic and turnover at the Pier 14, despite certain tenants' ability to continue trading. This has resulted in Castleview having to accommodate tenants in the form of rental relief and rental deferral, with tenants divided into pools based on their ability to trade and the tenants' financial health.

Valuation sensitivity

The estimated impact of a change in the following significant unobservable inputs would result in a change in the valuation as follows:

Sensitivity analysis	Increase (decrease) in valuation
An increase of 100 basis points on the capitalisation rate, discount rate and the yield	**(R 32 265 000)**
A decrease of 100 basis points on the capitalisation rate, discount rate and the yield	**R39 460 000**

4. OPERATING LEASE ASSET

During the current year the group was able to enter into new leases with multiple tenants, resulting in an increase in the operating lease asset. No leases have been cancelled and/or modified subsequent to year end and Covid-19 has therefore not had any impact on the operating lease asset.

5. CASH AND CASH EQUIVALENTS

Material movements in cash and cash equivalents include drawdowns on the ABSA mortgage bond of R23.1 million for the costs to convert the office tower to residential units.

6. MORTGAGE BOND

	Reviewed 29 February 2020 R	Audited 28 February 2019 R
Held at amortised cost		
ABSA Bank	**129 593 297**	110 302 437

This loan is on an interest only repayment profile for 36 months (commenced: 1 October 2017), following which the loan will be repayable in full.

The loan bears interest at the South African Prime lending rate less 1%.

Subsequent to the reporting date, approval was granted by the financier for a moratorium on interest payments for a period of 6 months, effective 10 May 2020. A commensurate 6-month extension was granted on the loan term, with the new effective expiry date of the loan being 26 April 2021.

SIGNIFICANT FINANCIAL STATEMENT NOTES (continued)

7. PER SHARE INFORMATION

	Reviewed 29 February 2020 R	Audited 28 February 2019 R
Profit attributable to shareholders	**20 405 272**	10 157 461
Gain on fair value adjustment	**(5 776 037)**	(709 632)
Non-controlling interest effects of adjustments	**5 776**	710
Headline earnings	**14 635 011**	9 448 539
Lease straight-lining adjustment	**(2 320 091)**	1 771 734
Depreciation	**102 361**	193 241
Deferred tax movement	**–**	442 629
Total non-controlling interest effects of adjustments	**2 218**	(2 408)
Distributable income	**12 419 499**	11 853 735
Number of shares in issue	**34 188 520**	33 000 000
Weighted average number of ordinary shares in issue	**33 253 985**	33 000 000
Earnings per share (c)	**61.36**	30.78
Headline earnings per share (c)	**44.01**	28.63
Distributable earnings per share (c)*	**36.33**	35.92
Net asset value per share (c)**	**515.06**	507.91
Distribution per share (c)***	**32.05**	37.23

The company does not have any potential dilutionary instruments in issue.

* *Distributable earnings per share is calculated by dividing the distributable earnings calculated by the total number of shares in issue at year end. Distributable earnings is calculated in compliance with the recommendations of best practice from the SA REIT Association, and exclude all those items that are traditionally not distributed, such as capital profits/losses from the disposal of investment property and fair value adjustments.*

** *Net asset value per share is calculated by dividing the net assets by the total number of shares in issue at year end. Net assets comprise total assets less total liabilities, less equity attributable to non-controlling interest.*

*** *The distribution per share excludes the special dividend of 18.26 cents paid in November 2019, and the dividend of 0.87 cents declared out of distributable income from February 2019.*

SIGNIFICANT FINANCIAL STATEMENT NOTES (continued)

8. RELATED PARTIES

	Reviewed 29 February 2020 R	Audited 28 February 2019 R
Relationship		
Ultimate holding company: Urban Retail Property Investments 1 (Pty) Ltd		
Companies under common directorships: Castleview Asset Managers (Pty) Ltd		
Loan account owing to parent company		
Urban Retail Property Investments 1 (Pty) Ltd	**(36 636 847)**	(33 209 682)
Other receivables owing by companies under common directorships		
Castleview Asset Managers (Pty) Ltd	**304 762**	419 563
Interest capitalised on loan owing to parent company		
Urban Retail Property Investments 1 (Pty) Ltd	**3 427 165**	3 097 985
Asset management fees paid to companies under common directorships		
Castleview Asset Managers (Pty) Ltd	**1 725 544**	1 718 321
Compensation to directors and other key management		
Short-term employee benefits	**552 000**	480 000

9. EVENTS AFTER REPORTING PERIOD

Due to the impact of the COVID-19 pandemic on the local economy, the company has accommodated tenants and provided temporary rental relief for the months of April and May 2020. The reduced rent is not a deviation from the terms of the lease agreement, and the condition of the rent relief is that the reduced rent is paid in accordance with the terms of the lease agreement.

The company has offered rental reductions of between 25.5% and 92.5% in April and between 50% and 80% in May, depending on the type of tenant. As a result, this has resulted in a reduction of R 2 997 004 in rental income representing 8% of forecasted revenue for the 2021 financial year.

A change in key unobservable inputs is expected to have a significant impact on the fair value of investment property. A 1% increase in the capitalisation rate, discount rate and the yield will result in a decline of 9.3% in the fair value of the property, while a 1% decrease in the capitalisation rate, discount rate and the yield will result in an increase of 11.4% in the fair value of the property.

The Chairman, Mr R.G. Volks, resigned from the Board of directors on 4 May 2020. Mr D.J. Green was appointed as Acting Chairman on 4 May 2020, and will act as Chairman until such time as a permanent appointment is made.

SIGNIFICANT FINANCIAL STATEMENT NOTES (continued)

10. PAYMENT OF DIVIDEND

The board has approved and notice is hereby given of the final gross dividend of 15.34 cents per share for the six months ended 29 February 2020. The board has proposed a further dividend of 0.87 cents per share as a result of extra profits in the financial year ended February 2019, bringing the total dividend payable up to 16.21000 cents per share (the "dividend"). Accordingly, a higher than anticipated overall dividend per share will be payable to shareholders. Shareholders should not expect such dividend to recur in the future.

The board intends to provide shareholders with a share reinvestment alternative in respect of the dividend. Further details regarding the payment of the cash dividend and share reinvestment alternative will be announced on SENS in due course.

By order of the board

James Templeton
Chief executive officer

Colin Dockrall
Financial director

Cape Town
12 June 2020

CORPORATE INFORMATION

CASTLEVIEW PROPERTY FUND LIMITED

(Incorporated in the Republic of South Africa) (Registration number 2017/290413/06)
JSE share code: CVW
ISIN: ZAE000251633
(Approved as a REIT by JSE)

DIRECTORS

JWA Templeton, C Dockrall, GC Bayly,
DJ Green, A Padayachee

REGISTERED OFFICE

411 The Hills, Buchanan Square, 160 Sir Lowry Road,
Woodstock, 7925
PO Box 55240, Sunset Beach, 7435

WEBSITE

www.castleview.co.za

COMPANY SECRETARY

Statucor

TRANSFER SECRETARY

Link Market Services

DESIGNATED ADVISER

Java Capital

castleview.co.za