

FREEDOM PROPERTY FUND LIMITED

Incorporated in the Republic of South Africa

Registration number: 2012/129186/06

Share code: FDP

ISIN: ZAE000185260

("the Company" or "Freedom")



QUARTERLY UPDATE FOR THE PERIOD 17 MAY 2018 TO 17 AUGUST 2018

Shareholders are referred to the:

- last quarterly update, dated 17 May 2018 ("**Last Quarterly Update**"); and
- SENS announcement, dated 30 June 2016, relating to the suspension of the Company's shares on the JSE Limited ("**JSE**") ("**Suspension**").

In line with paragraph 1.11(c) of the JSE Listing Requirements, the Company is obliged to give an update to the market of the state of the affairs of the Company until the Suspension is lifted.

1. Finalisation of annual financial statements:

Further to the Last Quarterly Update, wherein it was indicated that the Company would release the 2016 audited financial results in July 2018, the Company advises that there has been a further delay in the release of these financial results as a result of a recently identified technical IFRS matter relating to a number of acquisitions and services rendered during the financial year ended 28 February 2015.

The Company has decided to fully interrogate the accounting treatment before publishing its audited results for the year ended 29 February 2016 (including the 2015 restatement). This IFRS treatment will have a material impact on the results of the group.

The Company is in the process of re-assessing the timeframe required to complete the annual financial statements mentioned above and will advise shareholders accordingly.

Furthermore, outstanding material documentation for a subsidiary subsequently disposed of is still to be completed.

The board is committed to the lifting of the Suspension and will endeavour to release the outstanding financial results as soon as possible.

2. Share cancellation

The external auditors identified a reportable irregularity in terms of the Companies Act, (Act No. 71 of 2008) ("**Act**"), in terms of which the Company has breached the provisions of section 48 (2)(b)(i) of the Act in that a subsidiary company holds in excess of 10% of the shares in the Company.

Freedom is working towards procuring the cancellation of the excess treasury shares as a matter of urgency in order to be compliant with the provisions of the Act and in this regard will distribute a circular to shareholders in due course in order to obtain the required shareholders' approval for the specific repurchase required in order to cancel these shares.

Paarl

17 August 2018

Sponsor



Questco Corporate Advisory (Pty) Ltd