

## Liberty Two Degrees limited commences trading on the JSE main board as a corporate REIT

### Corporate REIT structure aligns with market

- New L2D positioned as a South African precinct-focused, retail-centred REIT with a proven track record
- Commitment to strategic pillars of:
  - o creating experiential places,
  - o managing environments that deliver long-term and sustainable value in the communities we operate in and;
  - o delivering on stakeholder commitments.

Liberty Two Degrees (L2D) is pleased to announce the commencement of trading of Liberty Two Degrees Limited (New L2D) on the Main Board of the JSE today, following the successful fulfillment of the conditions precedent to the restructuring transactions. The listing follows the conversion of L2D from a Collective Investment Scheme in Property (“CISIP”) to a corporate REIT, the cancellation of the PUT option by Liberty Group for no consideration, the internalisation of the management company which assumes the asset management function of the Liberty Property Portfolio (LPP), as well as the acquisition of R1,2 billion in assets from the LPP.

Commenting on the restructuring, L2D CEO **Amelia Beattie** commented: “This is a significant milestone for us. The new structure enables us to position New L2D for sustainable growth and further unlock shareholder value. This is in addition to driving a property portfolio that will remain anchored on South African, high quality precincts within key nodes with experiential places that are world-class.”

The acquisition of an additional R1.2 billion in properties from the iconic LPP of certain high quality assets increases New L2D’s share in the LPP to 33.3% and the subsequent value of the portfolio to R10,8 billion. The acquisition spans across office and mixed-use assets, retail and industrial assets and some vacant land. This includes the acquired 25% share in hospitality assets located in Sandton, resulting in a South African precinct focused and retail centred portfolio with an enhanced blended yield.



The L2D management remains a focused team that enables efficient financial, operational and stakeholder management.

L2D financial director, **José Snyders** comments: “Maintaining a transparent, consistent and credible disclosure of key measurement operational and financial metrics that are ahead of benchmarks remains a priority. We further aim to take a focused review and application of efficient use of cash to maintain a clean balance sheet.”

“The introduction of a conservative level of gearing to New L2D’s capital structure serves to reduce the weighted average cost of capital, whilst still providing New L2D with the flexibility to execute on our investment objective and strategy. We further aim to maintain careful cost management to sustain cost to income ratios that are consistent with prior periods and better manage usage.”

As New L2D opened for trading on the JSE today, Beattie concluded: “We are committed to creating experiential spaces to enhance our position as a retail leader. Our ability to predict emerging trends to create the future of retail property as well as manage high quality centres, enables us to create communities and environments that deliver long-term and sustainable value to our stakeholders.” **A+**