



FRONTIER
ASSET MANAGEMENT

Frontier Asset Management and Investments (Pty) Ltd (2009/015299/07)

3 November 2016

Dear Rivonia Square Related Debenture Holder,

INVESTMENT RETURNS ON DEBENTURES

The Nova Board has, in previous communiques, indicated that it remains difficult to obtain funding from external sources and that more internal funding sources are required to be utilized to fund essential upgrades and maintenance, as well as tenant placements at shopping centres, to the best benefit of the Nova Group and all its stakeholders.

This was also one of the factors that gave rise to the Board's strategic decision during 2013, to reduce and in certain instances, cease certain projected monthly return payments to Debenture Holders.

Although there were indications that external funding would become easier and available sooner, the rate at which this happened slowed down due to various reasons, which have already been discussed in previous communiques, including external factors beyond the control of the Group. This deceleration in the flow of external funding and the rate at which upgrades, maintenance and the placement of tenants has to be done can currently not be synchronized and the Board had to once again take the difficult, but strategic, decision to cease current monthly return payments which are being paid to holders of certain classes of debentures, until the funding situation from external sources improves.

It distresses the Board to inform you that, with effect from 1 November 2016, and until further notice, no further monthly return payments will be made to your Rivonia Square related debentures.

Be assured that the Board will do everything in its power to ensure that this state of affairs improves as soon as possible.

Yours faithfully,

Dominique Haese
Managing Director

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