

FAIRVEST

PROPERTY HOLDINGS

NOTICE OF ANNUAL GENERAL MEETING

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Notice of Annual General Meeting

FAIRVEST PROPERTY HOLDINGS LIMITED

(Incorporated in the Republic of South Africa)

(Registration number 1998/005011/06)

Share code: FVT ISIN: ZAE000203808

(Approved as a REIT by the JSE)

("Fairvest" or "the Company")

Notice is hereby given that the annual general meeting of shareholders of Fairvest in respect of the year ended 30 June 2016 will be held in the boardroom, 8th Floor, The Terraces, 34 Bree Street, Cape Town on Tuesday, 15 November 2016, at 10:00 ("Annual General Meeting").

Purpose

The purpose of the Annual General Meeting is to transact the business set out in the agenda below.

This document is important and requires your immediate attention.

If you are in any doubt as to what action you should take, please consult your broker, Central Securities Depository Participant ("CSDP"), legal adviser, banker, financial adviser, accountant or other professional adviser immediately. If you have disposed of all your shares in the Company, please forward this document, together with the enclosed form of proxy and all annexures hereto, to the purchaser of such shares or the broker, banker or other agent through whom you disposed of such shares.

Agenda

- (i) Presentation of the audited annual financial statements of the Company, including the reports of the directors and the audit and risk committee for the year ended 30 June 2016. The integrated annual report containing the complete audited annual financial statements will be available on the Company's website at www.fairvest.co.za or can be obtained from the Company's registered office from the date of this notice until, and at, the Annual General Meeting on Tuesday, 15 November 2016. **A condensed version of the audited annual financial statements is included in Annexure A to this notice of Annual General Meeting ("Notice").**
- (ii) To consider and, if deemed fit, to pass, with or without modification, the following ordinary and special resolutions:

For any of the Ordinary Resolutions Numbers 1 to 8 (inclusive) and 11 and 12 to be adopted, more than 50% (fifty percent) of the voting rights exercised on each such ordinary resolution must be exercised in favour thereof. For Ordinary Resolution Number 9 and 10 to be adopted, at least 75% (seventy-five percent) of the voting rights exercised on such ordinary resolution must be exercised in favour thereof.

1. Ordinary Resolution Number 1 – Re-appointment of auditors

"RESOLVED AS AN ORDINARY RESOLUTION that BDO South Africa Inc. be and are hereby reappointed as the auditors of the Company for the ensuing financial year. The audit and risk committee has recommended the re-appointment of BDO South Africa Inc. as auditors of the Company."

The reason for Ordinary Resolution Number 1 is that the Company, being a public listed company, must have its financial results audited and such auditor must be appointed or reappointed at the Annual General Meeting of the Company as required by the Companies Act, No 71 of 2008, as amended ("Companies Act").

2. Ordinary Resolution Number 2 – Re-appointment of director (Mr BJ Kriel)

"RESOLVED AS AN ORDINARY RESOLUTION that Mr BJ Kriel, who retires by rotation in terms of the Company's memorandum of incorporation ("MOI") and, being eligible and offering himself for re-election, be and is hereby re-elected as an executive director of the Company."

Summarised curriculum vitae of Mr BJ (Jacques) Kriel

Jacques was the CEO and financial director of Fairvest from January 2010 until October 2012. Jacques is qualified as a chartered accountant. After completing his training he relocated to the United Kingdom where he joined Ernst & Young, London. Jacques joined the Bank of England in 2008 and was, until he joined Fairvest, responsible for the financial reporting of the United Kingdom's Foreign Currency Reserves.

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3. Ordinary Resolution Number 3 – Re-appointment of director (Ms KR Moloko)

“RESOLVED AS AN ORDINARY RESOLUTION that Ms KR Moloko, who retires by rotation in terms of the Company’s MOI and, being eligible and offering herself for re-election, be and is hereby re-elected as a non-executive director of the Company.”

Summarised curriculum vitae of Ms KR (Keneilwe) Moloko

Keneilwe started her career as a Quantity Surveyor with Grinaker Building, Dawson & Frazer and CP De Leeuw Quantity Surveyors. After a period of six years in the construction industry, she went back to study to become a Chartered Accountant. On completion of her articles at KPMG working in the financial services and tax divisions, she took up the position of development executive at Spearhead Properties. Thereafter, she joined Coronation Fund Managers as a Fixed Interest credit analyst and a member of the Coronation Credit Committee. Keneilwe currently serves as an independent non-executive Director on the following company boards: Attacq Limited, Brimstone Investment Corporation Limited, Esor Limited, Holdsport Limited and Prescient Limited. She is also a member of the Cape Retirement Fund Audit Committee.

4. Ordinary Resolution Number 4 – Re-appointment of director (Adv JD Wiese)

“RESOLVED AS AN ORDINARY RESOLUTION that Adv JD Wiese, who retires by rotation in terms of the Company’s MOI and, being eligible and offering himself for re-election, be and is hereby re-elected as a non-executive director of the Company.”

Summarised curriculum vitae of Advocate JD (Jacob) Wiese

Jacob holds a BA (Value & Policy studies) degree from the University of Stellenbosch, a Master’s degree in International Economics and Management from Università Commerciale Luigi Bocconi in Italy and an LLB degree from the University of Cape Town. In 2009 Jacob completed his pupillage at the Cape Bar and was admitted as an Advocate of the High Court. Jacob is a director of Steinhoff International Holdings, a non-executive director of Pepkor Holdings and Invicta Holdings and an alternate director of Shoprite Holdings and Tradehold. He is also involved with the management of Lourensford Wine Estate, one of South Africa’s largest and most prestigious wine farms.

The reason for Ordinary Resolutions Numbers 2, 3 and 4 is that the MOI of the Company and, to the extent applicable, the Companies Act, require that a component of the directors rotate at the Annual General Meeting and, being eligible, may offer themselves for re-election as directors.

5. Ordinary Resolution Number 5 – Appointment of member of the audit and risk committee (Ms KR Moloko)

“RESOLVED AS AN ORDINARY RESOLUTION that Ms KR Moloko, being eligible, subject to the adoption of Ordinary Resolution Number 3 above, be and is hereby appointed or re-appointed, as the case may be, as a member of the audit and risk committee of the Company, as recommended by the board of directors of the Company, until the next annual general meeting of the Company.”

A summarised curriculum vitae of Ms Moloko appears at Ordinary Resolution Number 3 above.

6. Ordinary Resolution Number 6 – Appointment of member of the audit and risk committee (Adv JD Wiese)

“RESOLVED AS AN ORDINARY RESOLUTION that Adv JD Wiese, being eligible, subject to the adoption of Ordinary Resolution Number 4 above, be and is hereby appointed or re-appointed, as the case may be, as a member of the audit and risk committee of the Company, as recommended by the board of directors of the Company, until the next annual general meeting of the Company.”

A summarised curriculum vitae of Adv Wiese appears at Ordinary Resolution Number 4 above.

7. Ordinary Resolution Number 7 – Appointment of member of the audit and risk committee (Mr N Mkhize)

“RESOLVED AS AN ORDINARY RESOLUTION that Mr N Mkhize, being eligible, be and is hereby appointed or reappointed, as the case may be, as a member of the audit and risk committee of the Company, as recommended by the board of directors of the Company, until the next annual general meeting of the Company.”

Summarised curriculum vitae of Mr N (Ndabe) Mkhize

Ndabe holds a BSc (Actuarial Science) degree from the University of Cape Town and the designations of Chartered Financial Analyst and Chartered Alternative Investment Analyst. His experience includes positions at Old Mutual, Prudential Portfolio Managers, Coronation Fund Managers and STANLIB Asset Management. Ndabe was appointed Deputy Chief Investment Management Officer of the Eskom Pension and Provident Fund (EPPF) in May 2014 with responsibility for internally managed assets in Equities, Fixed Income and Listed Property. In April 2015, Ndabe stepped into the role of Acting Investment Officer with overall investment oversight over the R130 billion assets of EPPF, including Private Equity and Hedge Funds.

The reason for Ordinary Resolutions Numbers 5, 6, and 7 is that the Company, being a public listed company, must appoint an audit committee and the Companies Act requires that the members of such audit committee be appointed, or reappointed, as the case may be, at each annual general meeting of the Company.

8. Ordinary Resolution Number 8 – Specific authority to issue shares to afford shareholders distribution reinvestment alternatives

“RESOLVED AS AN ORDINARY RESOLUTION that, subject to the provisions of the Companies Act, 2008, and the JSE Listings Requirements, the directors be and they are hereby authorised, to the extent required, by way of a specific standing authority (which is separate from and in addition to any other authority to be granted by shareholders at the Annual General Meeting) to issue ordinary shares of no par value as and when they deem appropriate, for the exclusive purpose of affording shareholders opportunities from time to time to elect to reinvest distributions received by them in new ordinary shares of the Company.”

9. Ordinary Resolution Number 9 – General authority to issue shares for cash

“RESOLVED AS AN ORDINARY RESOLUTION that the directors of the Company be and are hereby authorised, by way of a general authority, to allot and issue shares for cash, to such person/s on such terms and conditions and at such times as the directors may, from time to time, in their discretion deem fit, subject to the Companies Act, the MOI of the Company and the JSE Listings Requirements from time to time, which currently provide, *inter alia*, the following limitations:

- the shares which are the subject of the issue for cash must be of a class already in issue, or where this is not the case, must be limited to such shares or rights that are convertible into a class already in issue;
- any such issue may only be made to public shareholders as defined by the JSE Listings Requirements and not to related parties;
- the number of shares issued for cash hereunder shall not, in aggregate, exceed 5% (five percent) of the number of the Company's issued shares of that class. The number of shares which may be issued shall be based on the number of shares in issue as at the date of this Notice. As at the date of this Notice, 5% (five percent) of the number of issued shares amounts to 32 913 090 ordinary shares;
- this general authority will be valid until the earlier of the Company's next annual general meeting or the expiry of a period of 15 (fifteen) months from the date that this authority is given;
- after the Company has issued shares under this general authority representing, on a cumulative basis within the period of this approval, 5% (five percent) or more of the number of shares in issue prior to the issue, the Company shall publish an announcement containing full details of the issue, including:
 - the number of shares issued;
 - the average discount to the weighted average traded price of the shares over the 30 (thirty) business days prior to the date that the issue is agreed in writing between the Company and the party/ies subscribing for the shares; and
 - in respect of the issue of options and convertible securities pursuant to paragraph 5.53 of the JSE Listings Requirements, the effects of the issue on the statement of financial position, net asset value per share, net tangible asset value per share, the statement of comprehensive income, earnings per share, headline earnings per share and, if applicable, diluted earnings and headline earnings per share; or
 - in respect of an issue of shares pursuant to paragraph 5.52 of the JSE Listings Requirements, an explanation, including supporting information (if any), of the intended use of the funds;

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- in determining the price at which an issue of shares may be made in terms of this authority, the maximum discount permitted will be 5% (five percent) of the weighted average traded price on the JSE of the shares over the 30 (thirty) business days prior to the date that the price of the issue is agreed between the Company and the party subscribing for the shares;
- the approval of this general authority to issue shares for cash resolution, by achieving a 75% (seventy-five percent) majority of the votes cast in favour of this resolution at the Annual General Meeting; and
- this authority includes the authority to issue any options/convertible securities that are convertible into an existing class of equity securities, where applicable."

The reason for Ordinary Resolution Number 9 is that, for the Company to issue shares for cash, it must obtain the prior authority of shareholders to the extent required under the JSE Listings Requirements. The effect of Ordinary Resolution Number 9, if passed, is to obtain such general authority from shareholders to issue shares for cash in compliance with the JSE Listings Requirements.

10. Ordinary Resolution Number 10 – Authority to sell Treasury Shares

"RESOLVED AS AN ORDINARY RESOLUTION that, should, a subsidiary of the Company acquire Fairvest ordinary shares (such shares to be held in treasury) ("**Treasury Shares**"), paragraph 5.75 of the JSE Listings Requirements states that whenever a listed company wishes to use such Treasury Shares, such use must comply with the JSE Listings Requirements as if such use was a fresh issue of securities, the directors of the Company be and are hereby authorised, by way of a general authority, to sell any or all such Treasury Shares for cash, to such person/s on such terms and conditions and at such times as the directors may, from time to time, in their discretion deem fit, subject to the Companies Act, the MOI of the Company and the JSE Listings Requirements from time to time, including the limitations listed in Ordinary Resolution Number 9 above, and which are hereby incorporated, *mutatis mutandis*, in this Ordinary Resolution Number 10, and which include, *inter alia*, the following:

- any such sale of Treasury Shares may only be made to public shareholders, as defined by the JSE Listings Requirements and not to related parties;
- this general authority will be valid until the earlier of the Company's next annual general meeting or the expiry of a period of 15 (fifteen) months from the date that this authority is given;
- in determining the price at which any Treasury Shares may be sold in terms of this authority, the maximum discount permitted will be 5% (five percent) of the weighted average traded price on the JSE of the shares over the 30 (thirty) business days prior to the sale of such Treasury Shares; and
- the approval of this general authority to sell Treasury Shares for cash by achieving a 75% (seventy-five percent) majority of the votes cast in favour of this resolution at the Annual General Meeting."

The reason for Ordinary Resolution Number 10 is that, for a subsidiary of the Company to sell any Treasury Shares for cash, the prior authority of the Company's shareholders of the Company must be obtained, to the extent required under the JSE Listings Requirements. The effect of Ordinary Resolution Number 10 is to obtain such general authority from shareholders to sell Treasury Shares for cash in compliance with the JSE Listings Requirements.

11. Ordinary Resolution Number 11 – Authority to execute requisite documentation

"RESOLVED AS AN ORDINARY RESOLUTION that any director of the Company or, where appropriate, the company secretary, be and is hereby authorised to do all such things and to sign all such documents issued by the Company as are required to give effect to the special and ordinary resolutions passed at this Annual General Meeting."

The reason for Ordinary Resolution Number 11 is to provide the necessary authority to any director of the Company or the company secretary to implement the special and ordinary resolutions which are to be tabled at the Annual General Meeting.

12. Ordinary Resolution Number 12 – Endorsement of remuneration policy

"RESOLVED AS A NON-BINDING ADVISORY VOTE that, in accordance with the principles contained in the King Report on Corporate Governance for South Africa, 2009 ("**King Report**"), shareholders endorse the Company's remuneration policy, as set out in the Company's annual report, which is available on the Company's website at www.fairvest.co.za."

The reason for Ordinary Resolution Number 12 is that the principles contained in the King Report recommends that the remuneration policy of the Company be submitted to shareholders for consideration and for an advisory, non-binding vote to provide shareholders with an opportunity to indicate should they not be in support of the material provisions of the remuneration policy of the Company.

For any of the Special Resolutions Numbers 1 to 5 to be adopted, at least 75% (seventy-five percent) of the voting rights exercised on such special resolution must be exercised in favour thereof.

13. Special Resolution Number 1 – Share buy-back by Fairvest and its subsidiaries

“RESOLVED AS A SPECIAL RESOLUTION, that the Company and the subsidiaries of the Company be and are hereby authorised, as a general approval, to repurchase any of the shares issued by the Company, upon such terms and conditions and in such amounts as the directors may from time to time determine, but subject to the provisions of sections 46 and 48 of the Companies Act, the MOI of the Company and the JSE Listings Requirements, including, *inter alia*, that:

- the general repurchase of the shares may only be implemented through the order book operated by the JSE trading system and done without any prior understanding or arrangement between the Company and the counterparty;
- this general authority shall only be valid until the next annual general meeting of the Company, provided that it shall not extend beyond fifteen months from the date of this resolution;
- an announcement must be published as soon as the Company has acquired shares constituting, on a cumulative basis, 3% of the number of shares in issue prior to the acquisition, pursuant to which the aforesaid 3% threshold is reached, containing full details thereof, as well as for each 3% in aggregate of the initial number of shares acquired thereafter;
- the general authority to repurchase is limited to a maximum of 10% in the aggregate in any one financial year of the Company's issued share capital at the time the authority is granted;
- a resolution has been passed by the board of directors approving the purchase, that the Company has satisfied the solvency and liquidity test as defined in the Companies Act and that, since the solvency and liquidity test was applied, there have been no material changes to the financial position of the Company and its subsidiaries (“the Group”);
- the general repurchase is authorised by the Company's MOI;
- repurchases must not be made at a price more than 10% above the weighted average of the market value of the shares for the five business days immediately preceding the date that the transaction is effected. The JSE will be consulted for a ruling if the Company's securities have not traded in such five business day period;
- the Company may at any point in time only appoint one agent to effect any repurchase(s) on the Company's behalf; and
- the Company may not effect a repurchase during any prohibited period as defined in terms of the JSE Listings Requirements unless there is a repurchase programme in place, which programme has been submitted to the JSE in writing prior to the commencement of the prohibited period and executed by an independent third party, as contemplated in terms of paragraph 5.72(h) of the JSE Listings Requirements.”

Reason for and the effect of the special resolution

The reason for and effect of Special Resolution Number 1 is to grant the directors a general authority in terms of the Company's MOI and the JSE Listings Requirements for the acquisition by the Company or by a subsidiary of the Company of shares issued by the Company on the basis reflected in special resolution number 1.

In terms of section 48(2) (b)(i) of the Companies Act, subsidiaries may not hold more than 10%, in aggregate, of the number of the issued shares of a Company. For the avoidance of doubt, a pro rata repurchase by the Company from all its shareholders will not require shareholder approval, save to the extent as may be required by the Companies Act.

The board of directors undertake that, to the extent it is still required by the JSE Listings Requirements and the Companies Act, they will not implement the repurchase as contemplated in this special resolution while this general authority is valid, unless:

- the assets of the Company and the Group, recognised and measured in accordance with the accounting policies used in the latest audited annual Group financial statements, will exceed the liabilities of the Company and the Group for a period of 12 (twelve) months after the date of such repurchase;

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- the Company and the Group will be able, in the ordinary course of business, to pay its debts for a period of 12 (twelve) months after the date of such repurchase;
- the Company's and the Group's ordinary share capital and reserves will be adequate for ordinary business purposes for a period of 12 (twelve) months after the date of such repurchase;
- the working capital of the Company and the Group will be adequate for ordinary business purposes for a period of 12 (twelve) months after the date of such repurchase; and
- a resolution is passed by the board of directors that they have authorised the repurchase, that the Company passed the solvency and liquidity test, and that since the solvency and liquidity test was performed there have been no material changes to the financial position of the Group."

The following information, which is required by the JSE Listings Requirements with regard to the resolution granting a general authority to the Company to repurchase shares, appears in Annexure B of this Notice:

- Major shareholders;
- Directors' interests in securities;
- Share capital of the Company;
- Responsibility statement; and
- Material changes.

14. Special Resolution Number 2 – Remuneration of non-executive directors

"RESOLVED AS A SPECIAL RESOLUTION, in terms of section 66(9) of the Companies Act, that the remuneration payable to non-executive directors of the Company, to remunerate them for their services as directors, payable for the year ended 30 June 2017, will be as follows:

	For the year ended 30 June 2017 Annual fee
1. Board membership	
Chairman of the board	R117 213.60
Non-executive directors	R97 677.72
	Attendance fee (per meeting attended)
2. Attendance of board and board committee meetings	
Chairman of the board	R7 814.18
Non-executive directors	R5 920.03

Reason for and effect of the special resolution

The reason for Special Resolution Number 2 is for the Company to obtain the approval of shareholders by way of a special resolution for the payment of remuneration to its non-executive directors in accordance with the requirements of the Companies Act. The passing of this special resolution will have the effect of approving the remuneration of each of the non-executive directors of the Company for the year ending 30 June 2017 in accordance with section 66(9) of the Companies Act.

15. Special Resolution Number 3 – Inter-company loans

"RESOLVED AS A SPECIAL RESOLUTION, in terms of section 45(3)(a)(ii) of the Companies Act, as a general approval, that the board of the Company be and is hereby authorised to approve that the Company provides any direct or indirect financial assistance ("**financial assistance**" will herein have the meaning attributed to it in section 45(1) of the Companies Act) that the board of the Company may deem fit to any company or corporation that is related or inter-related to

the Company (“**related**” and “**inter-related**” will herein have the meanings attributed to them in section 2 of the Companies Act), on the terms and conditions and for amounts that the board of the Company may determine, provided that the aforementioned approval shall be valid until the date of the next annual general meeting of the Company.”

Reason for and effect of the special resolution

The reason for and effect of Special Resolution Number 3 is to grant the directors of the Company the authority until the next annual general meeting to provide financial assistance to any company or corporation which is related or inter-related to the Company. This means that the Company is, inter alia, authorised to grant loans to its subsidiaries and to guarantee the debt of its subsidiaries.

16. Special Resolution Number 4 – Financial assistance for the acquisition of securities in the Company or in a related or inter-related company

“RESOLVED AS A SPECIAL RESOLUTION, in terms of section 44(3)(a)(ii) of the Companies Act, as a general approval, that the board of directors of the Company be and is hereby authorised to approve that the Company provides any direct or indirect financial assistance (“**financial assistance**” will herein have the meaning attributed to it in sections 44(1) and 44(2) of the Companies Act) that the board of the Company may deem fit to any person for the purpose of, or in connection with, the subscription of any option, or any securities, issued or to be issued by the Company or a related or inter-related company or corporation (“**related**” and “**inter-related**” will herein have the meanings attributed to them in section 2 of the Companies Act), or for the purchase of any securities of the Company or a related or inter-related company or corporation, on the terms and conditions and for amounts that the board of the Company may determine, provided that the aforementioned approval shall be valid until the date of the next annual general meeting.”

Reason for and effect of the special resolution

The reason for and effect of Special Resolution Number 4 is to grant the directors of the Company the authority until the next annual general meeting to provide financial assistance for the purpose of, or in connection with, the subscription or purchase of options, shares or other securities in the Company or any related or inter-related company or corporation.

A typical example of where the Company may rely on this authority, is where a subsidiary raised funds by way of issuing preference shares and the third-party funder requires the Company to furnish security, by way of a guarantee or otherwise, for the obligations of its subsidiary to the third-party funder arising from the issue of the preference shares. The Company has no immediate plans to use this authority and is simply obtaining same in the interests of prudence and good corporate governance should the unforeseen need arise to use the authority

In terms of and pursuant to the provisions of sections 44 and 45 of the Companies Act, the directors of the Company confirm that the board will satisfy itself that, after considering all reasonably foreseeable financial circumstances of the Company, that immediately after providing any financial assistance as contemplated in Special Resolution Numbers 3 and 4 above:

- the assets of the Company (fairly valued) will equal or exceed the liabilities of the Company (fairly valued) (taking into consideration the reasonably foreseeable contingent assets and liabilities of the Company);
- the Company will be able to pay its debts as they become due in the ordinary course of business for a period of 12 months;
- the terms under which any financial assistance is proposed to be provided, are fair and reasonable to the Company; and
- all relevant conditions and restrictions (if any) relating to the granting of financial assistance by the Company as contained in the Company’s MOI have been met.

17. Other business

To transact such other business as may be transacted at an annual general meeting or raised by shareholders with or without advance notice to the Company.

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Voting and proxies

A shareholder entitled to attend and vote at the Annual General Meeting is entitled to appoint one or more proxies to attend and vote in his/her stead, subject to the general instructions attached to this Notice. Any proxy so appointed need not be a shareholder of the Company.

The date on which shareholders must have been recorded as such in the share register maintained by the transfer secretaries of the Company for purposes of being entitled to receive this Notice is Friday, 23 September 2016.

The date on which shareholders must be recorded in the share register maintained by the transfer secretaries of the Company for purposes of being entitled to attend and vote at the Annual General Meeting is Friday, 4 November 2016, with the last day to trade being Tuesday, 1 November 2016.

For the convenience of shareholders, a form of proxy is enclosed herewith. The attached form of proxy is only to be completed by those shareholders who:

- hold shares in certificated form; or
- are recorded on the sub-register in "own name" dematerialised form.

Shareholders who have dematerialised their shares through a CSDP or broker without "own name" registration and who wish to attend the Annual General Meeting, must instruct their CSDP or broker to provide them with the relevant letter of representation to attend the meeting in person or by proxy and vote. If they do not wish to attend in person or by proxy, they must provide the CSDP or broker with their voting instructions in terms of the relevant custody agreement entered into between them and the CSDP or broker.

Proxy forms must be received at the registered office of the Company, or at the office of the transfer secretaries, Computershare Investor Services Proprietary Limited, Ground Floor, 70 Marshall Street, Johannesburg, 2001 (PO Box 61051, Marshalltown, 2107) at least 48 hours, excluding Saturdays, Sundays and public holidays, before the time of the Annual General Meeting.

Meeting participants will be required to provide proof of identification to the reasonable satisfaction of the chairman of the Annual General Meeting and must accordingly bring a copy of their identity document, passport or drivers' license to the Annual General Meeting. If in doubt as to whether any document will be regarded as satisfactory proof of identification, meeting participants should contact the transfer secretaries for guidance.

By order of the Board



J van der Merwe (on behalf of SecCorp Secretarial Services Proprietary Limited)

Company Secretary

29 September 2016

Registered office address

8th Floor
The Terraces
34 Bree Street
Cape Town
8001

Postal address

Postnet Suite 30
Private Bag X3
Roggebaai
8012

ANNEXURE A

Audited summarised condensed consolidated results and cash dividend declaration

SUMMARISED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Audited 30 June 2016 R'000	Audited 30 June 2015 R'000
ASSETS		
Non-current assets	1 895 958	1 365 593
Investment property	1 849 158	1 337 428
Loans receivable	11 377	3 761
Investments	2 064	1 979
Office equipment	504	269
Operating lease asset	32 855	22 156
Current assets	31 229	20 856
Current portion of interest-bearing loans	1 482	1 399
Trade and other receivables	19 831	16 030
Cash and cash equivalents	9 916	3 427
Non-current asset held for sale	40 000	–
Total assets	1 967 187	1 386 449
EQUITY AND LIABILITIES		
Shareholders interest	1 327 079	1 105 421
Share capital	105 332	5 994
Retained earnings	1 221 747	1 099 427
Non-controlling interest	1 081	–
Total equity	1 328 160	1 105 421
Non-current liabilities	593 799	209 239
Interest-bearing borrowings	571 227	203 063
Amounts owing to minorities	13 398	–
Derivative financial instrument	1 945	411
Other non-current liabilities	6 948	5 490
Deferred taxation	281	275
Current liabilities	45 228	71 789
Interest-bearing borrowings	3 530	44 371
Trade and other payables	41 698	27 418
Total equity and liabilities	1 967 187	1 386 449

ANNEXURE A

Audited summarised condensed consolidated results and cash dividend declaration (continued)

SUMMARISED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Audited 12 months to 30 June 2016 R'000	Audited 12 months to 30 June 2015 R'000
Gross revenue	279 735	187 926
Rental income – contractual	268 140	178 698
– straight-line accrual	11 595	9 228
Property expenses	(103 416)	(65 773)
Net profit from property operations	176 319	122 153
Corporate administrative expenses	(16 680)	(12 142)
Operating profit	159 639	110 011
Fair value adjustment to investment properties	107 571	82 386
Fair value adjustment to derivatives	(1 534)	(411)
Fair value adjustment to debentures	–	(8 242)
Fair value adjustment to investments	85	(21)
Finance cost	(43 717)	(23 702)
Investment revenue	2 050	1 025
Profit before debenture interest	224 094	161 046
Debenture interest	–	(38 992)
Profit after debenture interest	224 094	122 054
Capital expenses	(870)	(4 198)
Profit before taxation	223 224	117 856
Taxation	(6)	3 348
Comprehensive income attributable to shareholders	223 218	121 204
Profit and total comprehensive income attributable to:		
– Owners of the parent	222 137	121 204
– Non controlling interest	1 081	–
	223 218	121 204
Reconciliation between profit attributable to shareholders, distributable earnings and headline earnings per share		
Comprehensive income attributable to owners of the parent	222 137	121 204
Fair value adjustment to investment properties (attributable to owners of the parent)	(106 584)	(82 386)
Headline and diluted headline earnings attributable to shareholders	115 553	38 818
Fair value adjustment to debentures	–	8 242
Debenture interest	–	38 992
Headline and diluted headline profit attributable to shareholders	115 553	86 052
Distributable earnings calculation		
Net profit from property operations	176 319	122 153
Straight-line rental income accrual	(11 595)	(9 228)
Corporate administrative expenses	(16 680)	(12 142)
Finance cost	(43 162)	(20 153)
Investment revenue	2 050	1 025
Share issued cum distribution	2 749	3 519
Non-controlling interest share of distribution	(12)	–
Distributable earnings	109 669	85 174

	Audited 12 months to 30 June 2016 R'000	Audited 12 months to 30 June 2015 R'000
Distribution	109 669	85 174
Distribution (dividend and debenture interest)*		
Interim dividend per share/distribution per linked unit (cents)	8.171	7.427
Final dividend declaration per share (cents)	8.489	7.679
Total distribution per share/linked unit (cents)	16.660	15.106
Earnings per share		
Basic and diluted earnings per share (cents)**	34.65	22.44
Headline and diluted headline earnings per share (cents)**	18.03	7.19
Headline and diluted headline earnings per share (cents)**	18.03	15.93
Net asset value per share and net tangible asset value per share (cents)***	201.60	184.41
Share statistics		
Shares in issue	658 261 805	599 438 276
Weighted average number of shares	641 064 762	540 053 358

* Distributions consists of dividends declared and debenture interest paid in the prior year (prior to the conversion to a share only capital structure). Prior to the conversion of the capital structure debenture interest was calculated on the capital at a variable rate equal to 99.9% of the net profit of the company before taxation, but after adjusting for extraordinary income and expenditure, capital gains and losses, and capital expenditure.

** Headline earnings have been presented in accordance with IAS 33. In the prior year in terms of the linked unit structure of the group every shareholder was a debenture holder. This coupled with the terms of the Debenture Trust Deed, which stated that 99.9% of profits are attributable to debenture holders, resulted in the benefits of improved trading, which would be ordinarily attributable to shareholders, being expensed in the statements of comprehensive income as a fair value adjustment to debentures and debenture interest. This resulted in no profit being attributable to ordinary shareholders.

*** In the prior year linked unit debentures were included in the net asset value and net tangible asset value calculation.

SUMMARISED CONSOLIDATED STATEMENT OF CASH FLOWS

	Audited 12 months to 30 June 2016 R'000	Audited 12 months to 30 June 2015 R'000
Cash inflow from operating activities	19 697	4 239
Cash outflow to investing activities	(444 230)	(168 953)
Cash inflow from financing activities	431 022	164 475
Net increase/(decrease) in cash and cash equivalents	6 489	(239)
Cash and cash equivalents at beginning of period	3 427	3 666
Cash and cash equivalents at end of period	9 916	3 427

SUMMARISED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Share capital R'000	Retained earnings R'000	Shareholders' interest R'000	Non- controlling interest R'000	Total Equity R'000
Balance at 1 July 2014	5 254	–	5 254	–	5 254
Disposal of treasury linked units	22	–	22	–	22
Linked units issued	718	–	718	–	718
Conversion of debentures	–	978 223	978 223	–	978 223
Total comprehensive income for the period	–	121 204	121 204	–	121 204
Balance at 30 June 2015	5 994	1 099 427	1 105 421	–	1 105 421
Shares issued	100 000	–	100 000	–	100 000
Capital issue expenses	(662)	–	(662)	–	(662)
Total comprehensive income for the period	–	222 137	222 137	1 081	223 218
Dividends paid and declared	–	(99 817)	(99 817)	–	(99 817)
Balance at 30 June 2016	105 332	1 221 747	1 327 079	1 081	1 328 160

ANNEXURE A

Audited summarised condensed consolidated results and cash dividend declaration (continued)

SUMMARISED CONSOLIDATED SEGMENT REPORT

	KwaZulu-Natal	Western Cape	Gauteng	Free State	Northern Cape	Limpopo	Eastern Cape	Mpumalanga	Reconciling items/ (Eliminations)	Total
For the year ended 30 June 2016										
Revenue – external customers	64 323	51 469	42 898	39 881	31 205	18 551	10 241	9 572	–	268 140
Operating profit	52 401	33 449	24 239	23 427	16 036	12 747	7 845	6 175	(16 680)	159 639
Total assets	546 571	375 630	269 066	283 825	177 193	118 543	101 917	61 680	32 762	1 967 187
For the year ended 30 June 2015										
Revenue – external customers	49 962	46 182	36 978	3 357	14 752	16 570	8 657	2 240	–	178 698
Operating profit	42 519	30 632	18 937	2 714	7 121	11 665	6 716	1 849	(12 142)	110 011
Total assets	491 142	320 117	246 707	26 046	64 607	120 040	40 087	60 304	17 399	1 386 449

OTHER SEGMENTAL INFORMATION

	Audited 30 June 2016	Audited 30 June 2015
Regional profile based on lettable area		
KwaZulu-Natal	23.3%	31.0%
Western Cape	18.9%	22.0%
Gauteng	16.1%	21.6 %
Free State	16.1%	3.0 %
Northern Cape	9.6%	6.3 %
Eastern Cape	7.3%	4.5 %
Limpopo	6.2%	8.2 %
Mpumalanga	2.5%	3.4 %
Vacancy profile based on gross lease area		
Gross lease area in metres squared as at end of period*	185 937	139 247
Properties held	39	34
Vacancy area in metres squared*	7 060	6 058
Vacancy area as % of gross lease area (%)	3.8%	4.4 %
Regional vacancy profile (m²) (regions where vacancies are located)		
Western Cape	3 409	1 708
Gauteng	1 160	894
Free State	1 093	–
KwaZulu-Natal	771	2 653
Northern Cape	379	207
Limpopo	248	101
Eastern Cape	–	495

* Gross lease area and vacancy in the prior and current periods has been updated after the remeasurement of various properties and excludes unlettable space.

Basis of preparation and accounting policies

The preparation of these provisional summarised consolidated financial statements was supervised by the Chief Financial Officer, BJ Kriel CA(SA).

The accounting policies applied in the preparation of these audited summarised consolidated results for the year ended 30 June 2016, which are based on reasonable judgements and estimates, are in accordance with International Financial Reporting Standards ("IFRS") and are consistent with those applied in the annual financial statements for the year ended 30 June 2015. Any other new and amendments to IFRS and IFRIC interpretations did not impact on the financial position or performance of the company but has resulted in additional disclosures. These audited summarised consolidated results, as set out in this report, have been prepared in accordance and containing the information required by IAS 34 – Interim Financial Reporting, the SAICA Financial Reporting Guidelines as issued by the Accounting Practices Committee and Financial Reporting Pronouncements as issued by the Financial Reporting Council, the Companies Act of South Africa, No 71 of 2008, as amended ("Companies Act") and the Listings Requirements of JSE Limited.

These summarised consolidated results for the year ended 30 June 2016 have been prepared in accordance with the historic cost basis, except for the measurement of investment properties and certain financial assets and financial liabilities which are stated at fair value.

The financial results are presented in Rands, which is Fairvest's functional and presentation currency and have been prepared on a going-concern basis.

Audit report

The audited summarised consolidated results for the year ended 30 June 2016 set out above, have been extracted from the group's annual financial statements which have been audited by BDO South Africa Inc. A copy of their unmodified audit opinion is available for inspection at the company's registered office. Any reference to future financial performance included in this announcement has not been reviewed or reported on by the company's auditors.

The directors take full responsibility for the preparation of the audited summarised consolidated results presented and that the financial information has been correctly extracted from the underlying financial statements.

Estimates and critical judgements

Except for the measurement of investment properties, debentures and certain financial assets and financial liabilities the financial statements do not include any material estimates.

COMMENTARY

Introduction

Fairvest is a Real Estate Investment Trust ("REIT"), with a unique focus on retail assets weighted toward non-metropolitan and rural shopping centres, as well as convenience and community shopping centres servicing the lower LSM market, in high-growth nodes, close to commuter networks. The Fairvest property portfolio consists of 39 properties, with 185 937m² of lettable area and valued at R1 925.1 million.

Capital raising activities

Shareholders are referred to the company's SENS announcement dated 15 October 2015, regarding the placement of 58 823 529 new ordinary shares which were issued through a vendor consideration placement at an issue price of R1.70 per share, raising R100 million of new equity.

Review of results

Fairvest board of directors are pleased to announce a 10.55% increase in the final dividend distribution of 8.489 cents per share for the six months ended 30 June 2016. This brings the total combined dividend for the year to 16.660 cents per share, which is a 10.29% increase from the previous year, exceeding our updated guidance issued in March 2016 of between 9.25% and 10.25% growth in distribution for the full year.

Distribution history (cents per share/linked unit)	Interim	Final	Total
June 2012	5.200	6.300	11.500
June 2013	4.570	6.000	10.570
June 2014	6.750	6.970	13.720
June 2015	7.427	7.679	15.106
June 2016	8.171	8.489	16.660

Revenue for the year ended 30 June 2016 increased by 48.9% to R279.7 million, as a result of income growth in the historic portfolio as well as the acquisitions during the year. Net profit from property operations increased by 44.3% to R176.3 million, while corporate administration expenses increased by 37.4% to R16.7 million, resulting in distributable earnings increasing by 28.8% to R109.7 million. Gross property expenses as a ratio of revenue increased marginally from 36.8% for the year to 30 June 2015 to 38.6%, as a result of the increases in rates and taxes and electricity, as well as higher cost to income ratios on assets acquired during the year. The net property expense ratio (expenses net of utility recoveries) remained well contained and in line with the previous year at 17.3%, which continues to demonstrate good cost containment and effective recoveries.

ANNEXURE A

Audited summarised condensed consolidated results and cash dividend declaration (continued)

Gross rentals across the portfolio trended upwards, with an 8.2% increase in the weighted average rental to R99.40/m² at 30 June 2016 compared to R91.85/m² at 30 June 2015. The weighted average contractual escalation for the portfolio improved from 7.4% as at 30 June 2015 to 7.5% at 30 June 2016.

The net asset value increased by 20.1% from R1.11 billion to R1.33 billion at 30 June 2016, which equates to 201.60 cents per share, a 9.3% increase from the previous year.

Net asset value and market capitalisation	Market capitalisation R'million	Net asset value R'million	Net asset value per share (cents)
June 2013	503.7	546.5	151.90
June 2014	733.4	838.9	159.00
June 2015	1 079.0	1 105.4	184.40
June 2016	1 020.3	1 327.1	201.60

Property portfolio

The total property portfolio increased by 41.4% from R1 361.8 million in June 2015 to R1 925.1 million. The increase is as a result of the acquisition during the period to the value of R412.3 million and capital expenditure incurred of R31.9 million, as well as the historic portfolio increasing by 8.8% relative to the previous year. The average value per property increased by 23.2% to R49.4 million, while the average value per square meter increased by 5.9% to R10 354/m².

Portfolio valuation history

	R'million
June 2012	103.5
June 2013	774.8
June 2014	1 109.1
June 2015	1 361.8
June 2016	1 925.1

In line with the accounting policy of the group, at least a third of the portfolio was valued by independent external valuers. Of the 39 properties in the portfolio, 14 properties equating to 38.9% by value, was valued by independent valuers, DDP Valuers and the remainder by the directors. All properties are valued by independent external valuers at least every three years. The properties are valued using the five-year discounted cash flow method. Assumptions are made on the discount rates used to determine the present value of the cash flows and on the capitalisation rate on an assumed sale after five years. The weighted average discount rate used was 15.2% compared to 14.9% in 2015 and the weighted average capitalisation rate used was 10.3% compared to 10.0% in 2015.

Acquisitions

Shareholders are referred to Fairvest's various SENS announcements, regarding certain acquisitions by the Company. Seven new properties were acquired during the period, of which five transferred during the current period and two transferred after year-end.

Properties transferred during the year

Property	Location	GLA (m²)	Purchase price R'000	Anchor tenant	Date of transfer
Sibilo	Northern Cape	8 528	95 000	Shoprite	24 Aug 15
Middestad Centre	Free State	19 857		Shoprite	26 Aug 15
Mega Park	Free State	5 960		Fielli	26 Aug 15
Redefine portfolio		25 817	239 049		
Parow Valley Spar*	Western Cape	2 455	18 800	Spar	10 May 16
Elliotdale Boxer**	Eastern Cape	7 217	59 400	Boxer	09 May 16

* The Parow Valley Spar was acquired in a newly incorporated subsidiary, Parow Valley Spar Proprietary Limited, of which Fairvest owns 51%.

**The Mainstream portfolio was acquired in a newly incorporated subsidiary FPP Property Venture 103 Proprietary Limited, of which Fairvest owns 80%.

Properties transferred after 30 June 2016

Property	Location	GLA (m ²)	Purchase price R'000	Anchor tenant	Date of transfer
Mqanduli Boxer**	Eastern Cape	6 945	37 600	Boxer	07 Jul 16
Tabankulu Boxer**	Eastern Cape	4 117	32 000	Boxer	15 Jul 16

* The Parow Valley Spar was acquired in a newly incorporated subsidiary, Parow Valley Spar Proprietary Limited, of which Fairvest owns 51%.

**The Mainstream portfolio was acquired in a newly incorporated subsidiary FPP Property Venture 103 Proprietary Limited, of which Fairvest owns 80%.

Property acquired after year-end

Property	Location	GLA (m ²)	Purchase price R'000	Anchor tenant	Expected date of transfer
Macassar Shoprite*	Western Cape	5 578	41 500	Shoprite	30 Sep 16

* The Macassar Shoprite will be acquired in a newly incorporated subsidiary, Urban Growth Properties Proprietary Limited, of which Fairvest owns 80%.

Disposals

Fairvest is in the process of concluding an agreement of sale with a black empowered consortium for the disposal of SASSA House. Fairvest will provide vendor finance for the transaction and the new shareholders will be required to conclude a lease renewal with Department of Public Works.

Value extraction

St George Square

When the property was acquired in 2012, approximately 1 867m² of the gross lettable area were unlettable space, and were therefore included in the purchase consideration at no value. During the current financial year the previously unlettable space was converted to 1 813m² of new retail and storage space has been created and certain tenants were strategically relocated into the newly created premises. In addition to the creation of additional GLA, the centre is being repainted and new signage pylons provided to improve the overall shopping experience by way of enhanced aesthetics.

Qualbert Centre

The redevelopment of the Qualbert Centre was largely concluded during year. The introduction of a food anchor, through the conclusion of a 10-year lease with Pick 'n Pay, has positively repositioned the centre and is attracting a broader customer base. Vacancies have reduced significantly and the overall tenant quality has improved. The project also included a facade upgrade to the centre, as well as improved lighting.

PORTFOLIO COMPOSITION, LETTING AND VACANCIES

Tenant grade as a percentage of GLA

	June 16	June 15
A-grade tenants	77.6%	78.5%
B-grade tenants	7.0%	6.6%
C-grade tenants	15.4%	14.9%

A – Anchor and national tenants

B – Franchise, professional and large tenants

C – Other

The high national tenant component of 77.6% of the portfolio provides shareholders with a relatively low risk investment profile.

Vacancies reduced from 4.4% to 3.8% or 7 060m² during the year under review, mainly as a result of some positive letting at Qualbert Centre, Richmond Shopping Centre and SASSA House. This was partially offset by vacancies in some of the newly acquired properties, as well as additional GLA created in St Georges Square which was vacant at year-end.

Lease expiry profile	Based on rentable area	Based on gross rental
Vacant	3.8%	–
Monthly/expired	8.0%	7.5%
June 2017	17.6%	20.1%
June 2018	21.0%	23.4%
June 2019	12.3%	13.0%
June 2020	15.2%	14.5%
After June 2021	22.1%	21.5%

During the year under review 62 new leases were concluded which equates to a GLA of 8 695m². Renewal activity was also positive with an 11.6% escalation achieved on the 19 424m² of leases that were renewed during the year. Tenant retention for the year was 85.2%, an improvement from the 81% for the previous year. The weighted average lease term is 36 months

ANNEXURE A

Audited summarised condensed consolidated results and cash dividend declaration (continued)

Borrowings

The loan to value ("LTV") ratio was 29.7% (LTV is calculated as total interest bearing debt divided by total property assets), which increased from 19.0% in June 2015 as a result of the acquisitions during the year. As at 30 June 2016, 57.7% of the debt was fixed either through swaps or fixed rate loans, with a weighted average expiry for the fixed debt of 27 months, a significant improvement from the 36.2% fixed debt component as at 31 December 2015.

The weighted average all-in cost of funding increased from 9.02% at June 2015 to 9.42% at 30 June 2016, mainly as a result of the increases to the repo rate. The weighted average maturity of debt decreased from 31 months to 27 months.

After year-end an additional interest rate swap to the value of R100 million was entered into, which will, after the conclusion of the Macassar Shoprite acquisition, increase LTV to 33.4% and further improve the fixed component of debt to 62.7%.

Prospects

Pressure will remain on tenants in a low economic growth, and rising interest rate environment and we expect trading conditions to remain challenging. Despite the weak economic outlook the portfolio is well positioned, with a low-risk tenant base and improved portfolio quality to continue to achieve strong growth in distributions. Management is confident that Fairvest should be able to achieve distribution growth of between 9% and 10% for the 2017 financial year. We will continue to remain conservatively geared and sufficiently hedged to minimise the impact of potential interest rate increases.

This view assumes no material deterioration in the macro-economic environment relative to current levels, that no major corporate failures will occur and that tenants will be able to absorb increases in municipal and utility costs. Forecast rental income is based on contractual lease terms and anticipated market related renewals. This forecast is the responsibility of the board of Fairvest and has not been reviewed or reported on by the auditors.

Dividend with election to reinvest

The board has approved and declared a final gross distribution of 8.489 cents per share for the six-month period ended 30 June 2016, payable to shareholders registered as such at the close of business on Friday, 14 October 2016.

Shareholders will be entitled, in respect of all or part of their shareholdings, to elect to reinvest the cash dividend of 8.489 cents per share, in return for new Fairvest ordinary shares ("Reinvestment Alternative"), failing which they will receive the cash dividend.

Further details regarding the dividend and Reinvestment Alternative, including the tax treatment and a detailed timetable, will be included in a separate SENS announcement, to be released today, 8 September 2016.

Subsequent events

The directors of Fairvest are not aware of any further material matters or circumstances arising between 30 June 2016 and this report which may materially affect the financial position of the group or the results of its operation.

Appreciation

We extend our appreciation to our directors, management and staff for their valued efforts as well as our advisers and shareholders for their continuing belief in and support of Fairvest.

Directors

Executive

DM Wilder (*Chief executive officer*)
BJ Kriel (*Chief financial officer*)
AJ Marcus (*Chief operating officer*)

Non-executive

J F du Toit (*Chairman*)
LW Andrag (*Lead independent director*)
KR Moloko
N Mkhize
JD Wiese

ANNEXURE B

General information

1. Directors' interest in securities

	Beneficial holdings		Non-beneficial holdings		%
	Direct	Indirect	Direct	Indirect	
2016					
BJ Kriel	–	21 500 000	–	–	3.27
DM Wilder	–	5 011 183	–	–	0.76
AJ Marcus	–	4 065 050	–	–	0.62
Total	–	30 576 233	–	–	4.65
2015					
JF du Toit	–	–	–	20 448 697	3.41
BJ Kriel	–	21 500 000	–	–	3.59
DM Wilder	–	5 011 183	–	–	0.83
AJ Marcus	–	4 065 050	–	–	0.68
Total	–	30 576 233	–	20 448 697	8.51

Note:

1. There has been no change in the directors' interest from the financial year-end of the Company on 30 June 2016 up until the approval of the financial statements.

2. Shareholders

	Number of shareholders	Percentage of shareholders	Number of shares	Percentage of shares
Shareholders' spread				
1 – 1 000 shares	886	54.89	86 916	0.01
1 001 – 10 000 shares	173	10.72	897 855	0.14
10 001 – 100 000 shares	378	23.42	13 367 572	2.03
100 001 – 1 000 000 shares	111	6.88	39 210 377	5.96
1 000 001 shares and over	66	4.09	604 699 085	91.86
Total	1 614	100.00	658 261 805	100.00
Public/non-public shareholders				
<i>Non-public members</i>	7	0.43	235 730 763	35.81
Directors and associates of the company holdings	5	0.31	30 576 223	4.64
Strategic shareholders (more than 10%)	2	0.12	205 154 540	31.17
Public shareholders	1 607	99.57	422 531 042	64.19
	1 614	100.00	658 261 805	100.00

Beneficial shareholders holding 5% or more

	Number of shares	%
Vukile Property Fund Limited	205 154 540	31.17
STANLIB	60 402 789	9.18
Coronation Fund Managers	41 102 506	6.24
Nedbank Group	40 177 361	6.10
Grindrod Financial Services	39 125 180	5.94
	385 962 376	58.63

3. Share capital of the Company at 30 June 2016

Authorised

3 000 000 000 (2015: 300 000 000) ordinary shares with no par value

Issued

658 261 805 (2015: 599 438 276) ordinary shares with no par value

Change in authorised and issued share capital

58 823 529 ordinary share were issued on 16 October 2015 at 170 cents per share

Stated Capital:

R1 327 079 000

Fairvest currently holds no treasury shares.

4. Material changes

There has been no material change in the financial or trading position of the Company and its subsidiaries subsequent to the Company's financial year-end, being 30 June 2016.

5. Responsibility statement

The directors whose names are given in Annexure A collectively and individually accept full responsibility for the accuracy of the information given and certify that to the best of their knowledge and belief there are no facts that have been omitted which would make any statement false or misleading, and that all reasonable enquiries to ascertain such facts have been made and that the notice contains all information required by law and the JSE Listings Requirements of the JSE.

FORM OF PROXY

FAIRVEST PROPERTY HOLDINGS LIMITED

(Incorporated in the Republic of South Africa)
 (Registration number 1998/005011/06)
 Share code: FVT ISIN: ZAE000203808
 (Approved as a REIT by the JSE)
 (“Fairvest” or “the Company”)

For the sole use by the following holders of shares in the Company at the Annual General Meeting of the Company to be held in the boardroom, 8th Floor, The Terraces, 34 Bree Street, Cape Town on Tuesday, 15 November 2016 at 10:00 and at any adjournment thereof (“Annual General Meeting”):

- certificated shareholders; and
- dematerialised shareholders with “own name” registration.

Forms of proxy must be completed and delivered to the Company’s registered office, 8th Floor, The Terraces, 34 Bree Street, Cape Town, 8001 (Postnet Suite 30, Private Bag X3, Roggebaai, 8012) or to the Transfer Secretaries, Computershare Investor Services Proprietary Limited, Ground Floor, 70 Marshall Street, Johannesburg, 2001 (PO Box 61051, Marshalltown, 2107) to be received by no later than 10:00 on Friday, 11 November 2016.

I/We (BLOCK letters please)

of (address)

Telephone: (work) (home)

being the holder/custodian of ordinary shares in the Company, hereby appoint

1. or, failing him/her
2. or, failing him/her
3. the chairman of the Annual General Meeting

as my/our proxy to attend, speak and vote for me/us on my/our behalf at the Annual General Meeting of the Company for purposes of considering and, if deemed fit, passing, with or without modification, the resolutions to be proposed thereat and at each adjournment or postponement thereof, and to vote for and/or against and/or abstain from voting in respect of the shares in the issued capital of the Company registered in my/our name in accordance with the following instructions:

Resolution	In favour of	Against	Abstain
To accept the presentation of the annual financial statements			
Ordinary Resolution Number 1 – Re-appointment of auditors			
Ordinary Resolution Number 2 – Re-appointment of BJ Kriel as a director			
Ordinary Resolution Number 3 – Re-appointment of KR Moloko as a director			
Ordinary Resolution Number 4 – Re-appointment of JD Wiese as a director			
Ordinary Resolution Number 5 – Appointment of KR Moloko as member of the audit and risk committee			
Ordinary Resolution Number 6 – Appointment of JD Wiese as member of the audit and risk committee			
Ordinary Resolution Number 7 – Appointment of N Mkhize as member of the audit and risk committee			
Ordinary Resolution Number 8 – Specific authority to issue shares to afford shareholders distribution reinvestment alternatives			
Ordinary Resolution Number 9 – General authority to issue shares for cash			
Ordinary Resolution Number 10 – Authority to sell treasury shares			
Ordinary Resolution Number 11 – Authority to execute requisite documentation			
Ordinary Resolution Number 12 – Endorsement of remuneration policy			
Special Resolution Number 1 – Share buy-back by Fairvest and its subsidiaries			
Special Resolution Number 2 – Remuneration of non-executive directors			
Special Resolution Number 3 – Inter-company loans			
Special Resolution Number 4 – Financial assistance for acquisition of securities in the Company or in a related or inter-related company			

(One vote per Fairvest share held by shareholders. Shareholders must insert the relevant number of votes that they wish to vote in the appropriate box provided or “X” should they wish to vote all Fairvest shares held by them).

Unless otherwise instructed, my/our proxy may vote as he/she thinks fit.

Signed this _____ day of _____ 2016

Signature _____

Please read the notes on the reverse side hereof.

NOTES TO THE FORM OF PROXY

1. A shareholder may insert the name of a proxy or the names of two alternative proxies of the shareholder's choice in the spaces provided, with or without deleting "the chairman of the Annual General Meeting" but, any such deletion must be initialled by the shareholder. The person whose name stands first on the form of proxy and who is present at the Annual General Meeting will be entitled to act as proxy to the exclusion of those whose names follow.
2. Please insert an "X" in the relevant spaces according to how you wish your votes to be cast. However, if you wish to cast your votes in respect of a lesser number of shares than the total number of shares that you own in the Company, insert the number of shares held in respect of which you desire to vote. Failure to comply with the above will be deemed to authorise the proxy to vote or to abstain from voting at the Annual General Meeting as he/she deems fit in respect of all the shareholders' votes exercisable thereat. A shareholder or his/her proxy is not obliged to use all the votes exercisable by the shareholder or by his/her proxy, but the total of the votes cast and in respect whereof abstention is recorded may not exceed the total of the votes exercisable by the shareholder or by his/her proxy.
3. Holders of "own name" dematerialised shares must inform their CSDP or broker of whether or not they intend to attend the Annual General Meeting and obtain the necessary authorisation from their CSDP or broker to attend the Annual General Meeting or provide their CSDP or broker with their voting instructions should they not be able to attend the Annual General Meeting in person.
4. Forms of proxy must be received at the registered office of the Company, 8th Floor, The Terraces, 34 Bree Street, Cape Town, 8001 (Postnet Suite 30, Private Bag X3, Roggebaai, 8012) or by the Transfer Secretaries, Computershare Investor Services Proprietary Limited, at Ground Floor, 70 Marshall Street, Johannesburg, 2001 (PO Box 61051, Marshalltown, 2107) by no later than 10:00 on Friday, 11 November 2016.
5. The completion and lodging of this form of proxy will not preclude the relevant shareholder from attending the Annual General Meeting and speaking and voting in person thereat to the exclusion of any proxy appointed in terms hereof.
6. Documentary evidence establishing the authority of a person signing this form of proxy in a representative capacity must be attached to this form of proxy unless previously recorded by the Company's transfer secretaries or waived by the chairman of the Annual General Meeting.
7. Any alteration or correction made to this form of proxy must be initialled by the signatory/ies.
8. A minor must be assisted by his/her parent or guardian unless the relevant documents establishing his/her legal capacity are produced or have been registered by the transfer secretaries of the Company.
9. The chairman of the Annual General Meeting may reject or accept a form of proxy which is completed and/or received, other than in accordance with these notes, if the chairman is satisfied as to the manner in which the shareholder wishes to vote.

SUMMARY OF RIGHTS CONTAINED IN SECTION 58 OF THE COMPANIES ACT

In terms of section 58 of the Companies Act:

- *A shareholder of a company may, at any time and in accordance with the provisions of section 58 of the Companies Act, appoint any individual (including an individual who is not a Fairvest shareholder) as a proxy to participate in, and speak and vote at, a shareholders' meeting on behalf of such shareholder.*
- *A shareholder may appoint two or more persons concurrently as proxies, and may appoint more than one proxy to exercise voting rights attached to different securities held by the shareholder.*
- *A proxy may delegate his authority to act on behalf of a shareholder to another person, subject to any restriction set out in the instrument appointing such proxy.*
- *Irrespective of the form of instrument used to appoint a proxy, the appointment of a proxy is suspended at any time and to the extent that the relevant shareholder chooses to act directly and in person in the exercise of any of such shareholder's rights as a shareholder.*
- *Any appointment by a shareholder of a proxy is revocable, unless the form of instrument used to appoint such proxy states otherwise.*
- *If an appointment of a proxy is revocable, a shareholder may revoke the proxy appointment by (i) cancelling it in writing, or making a later inconsistent appointment of a proxy and (ii) delivering a copy of the revocation instrument to the proxy and to the relevant company.*
- *A proxy appointed by a shareholder is entitled to exercise, or abstain from exercising, any voting right of such shareholder without direction, except to the extent that the relevant company's memorandum of incorporation, or the instrument appointing the proxy, provides otherwise.*
- *If the instrument appointing a proxy or proxies has been delivered by a shareholder to a company, then, for so long as that appointment remains in effect, any notice that is required in terms of the Companies Act or such company's memorandum of incorporation to be delivered to a shareholder must be delivered by such company to:*
 - *the relevant shareholder; or*
 - *the proxy or proxies, if the relevant shareholder has: (i) directed such company to do so, in writing and (ii) paid any reasonable fee charged by such company for doing so.*

