

## VUKILE PROPERTY FUND LIMITED

(Incorporated in the Republic of South Africa)

(Registration number 2002/027194/06)

JSE share code: VKE NSX share code: VKN

ISIN: ZAE000180865

(Granted REIT status with the JSE)

(“Vukile” or “the company”)



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## ANNOUNCEMENT OF DIVIDEND REINVESTMENT PRICE AND CONFIRMATION OF FINALISATION INFORMATION

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Further to the declaration of a cash dividend of 78.10251 cents per share (the “**cash dividend**”) with an election to reinvest the cash dividend in return for Vukile shares (the “**dividend reinvestment alternative**”), announced on SENS on Thursday, 29 November 2018 (the “**declaration announcement**”), the price per share, as determined on Monday, 10 December 2018 (the “**finalisation date**”), applicable to Vukile shareholders electing the dividend reinvestment alternative and recorded in the register on Friday, 21 December 2018 (i.e. the “**record date**”), is R19.40 per share (the “**reinvestment price**”). The reinvestment price is a 4.28% discount to the five-day volume weighted average traded price (less the cash dividend) and a 2.02% discount to the spot price (less the cash dividend) of Vukile shares on the JSE prior to the finalisation date.

The ratio in respect of the dividend reinvestment alternative is 4.02590 shares for every 100 shares held on the record date by South African resident shareholders exempt from dividend tax and 3.22072 shares for every 100 shares held on the record date by non-resident shareholders subject to dividend tax at 20%.

Where a shareholder’s entitlement to the shares in relation to the dividend reinvestment alternative, calculated with reference to the above share ratio, gives rise to an entitlement to a fraction of a new share, such fraction will be rounded down to the nearest whole number with the cash balance of the dividend being retained by the shareholder.

### Dividend withholding tax (“**dividend tax**”) implications

#### *Dividend tax implications for South African resident shareholders*

Dividends received from a Real Estate Investment Trust (“**REIT**”) are exempt from dividend tax in the hands of South African resident shareholders provided that the shareholders have provided the requisite declaration as to residence as detailed in paragraph 5 of the circular to Vukile shareholders dated and posted on Thursday, 29 November 2018 (the “**circular**”). South African resident shareholders, who have submitted the requisite documentation and are exempt from dividend tax, will accordingly receive a net dividend of 78.10251 cents per share.

#### *Dividend tax implications for non-resident shareholders*

Dividends received from a REIT by a non-resident shareholder will be subject to dividend tax at 20%, unless the rate is reduced in terms of any applicable agreement for the avoidance of double taxation (“**DTA**”) between South Africa and the country of residence of the non-resident shareholder. A reduced dividend withholding rate in terms of the applicable DTA may only be relied upon if the non-resident shareholder has provided the requisite documentation as detailed in paragraph 5 of the circular. Non-resident shareholders who have submitted the requisite documentation and assuming that a dividend tax rate of 20% is applicable, will accordingly receive a net dividend of 62.48201 cents per share.

Due to the fact that the cash dividend or dividend reinvestment alternative may have tax implications for resident and non-resident shareholders, shareholders are encouraged to consult their professional advisors should they be in any doubt as to the appropriate action to take.

## Illustrative example on the application of rounding and the impact of dividend tax

The application of the rounding principle of rounding down to the nearest whole number and the impact of dividend tax on shareholders has been illustrated by way of the example below:

	South African resident shareholders exempt from dividend tax	Non-resident shareholders subject to dividend tax at 20%
Dividend per share (cents)	78.10251	78.10251
Dividend tax per share (cents)	-	(15.62050)
<b>Total net dividend per share (cents)</b>	<b>78.10251</b>	<b>62.48201</b>
Number of shares held	100	100
Reinvestment price (R)	19.40000	19.40000
<b>Total amount available for reinvestment (R)</b>	<b>78.10251</b>	<b>62.48201</b>
Number of shares entitled to in terms of the ratio	4.02590	3.22072
Rounded number of shares issued in terms of dividend reinvestment alternative	4	3
Total amount payable for shares acquired in terms of the dividend reinvestment alternative (R)	77.60000	58.20000
Balance of distribution paid to shareholder (R)	0.50251	4.28201

## Trading of Vukile shares

Shareholders are advised that, as per the timetable below, the last date to trade is Tuesday, 18 December 2018 and the shares will trade *ex-dividend* on Wednesday, 19 December 2018. Shareholders are reminded that the last day to elect to receive the dividend reinvestment alternative is 12:00 (South African time) on Friday, 21 December 2018. No action is required if you wish to receive the cash dividend.

A summary of the salient dates relating to the cash dividend and the dividend reinvestment alternative reflects as follows:

Salient dates and times	2018
Finalisation information including the share ratio and price per share published on SENS	Monday, 10 December
Last day to trade in order to participate in the election to receive the dividend reinvestment alternative or to receive a cash dividend	Tuesday, 18 December
Shares trade ' <i>ex</i> ' dividend	Wednesday, 19 December
Listing of maximum possible number of shares under the dividend reinvestment alternative and trading in new shares commences	Friday, 21 December
Last day to elect to receive the dividend reinvestment alternative or to receive a cash dividend (no late forms of election will be accepted) at 12:00 (SA time)	Friday, 21 December
Record date for the election to receive the dividend reinvestment alternative or to receive a cash dividend	Friday, 21 December
Results of cash dividend and dividend reinvestment alternative published on SENS	Monday, 24 December
Cash dividends paid to certificated shareholders by electronic funds transfer on or about	Monday, 24 December
Accounts credited by CSDP or broker to dematerialised shareholders with the cash dividend payment	Monday, 24 December
Share certificates posted to certificated shareholders on or about	Friday, 28 December
Accounts updated with the new shares (if applicable) by CSDP or broker to dematerialised shareholders	Friday, 28 December
Adjustment to shares listed on or about	Monday, 31 December

**Notes:**

1. Shareholders electing the dividend reinvestment alternative are alerted to the fact that the new shares will be listed on LDT + 3 and that these new shares can only be traded on LDT + 3 due to the fact that settlement of the shares will be three days after the record date, which differs from the conventional one day after record date settlement process.
2. Shares may not be dematerialised or rematerialised between Wednesday, 19 December 2018 and Friday, 21 December 2018, both days inclusive.

All other information relating to the dividend (including the tax implications) and dividend reinvestment alternative disclosed in the declaration announcement remain unchanged.

10 December 2018

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Corporate advisor and sponsor

The logo for Java Capital, featuring the word "JAVA" in a bold, sans-serif font with a blue swoosh underline, followed by the word "CAPITAL" in a lighter, all-caps, sans-serif font.