

SA Corporate Real Estate Limited

(Incorporated in the Republic of South Africa)

(Registration number 2015/015578/06)

Share code: SAC ISIN: ZAE000203238

(Approved as a REIT by the JSE)

("SA Corporate" or "the Company")

TRADING STATEMENT, UPDATE ON TRADING CONDITIONS AND PAYMENT OF TRANCHE 2 OF 2019 FINAL DISTRIBUTION**Trading Statement**

In terms of paragraph 3.4(b)(vii) of the JSE Listings Requirements, property entities which have adopted distribution per share as their financial results measurement for trading statement purposes, are required to publish a trading statement as soon as they are satisfied that a reasonable degree of certainty exists that the financial results to be reported upon next will differ by at least 15% from the financial results of the previous corresponding period.

The Company anticipates that distributable income for the six months ended 30 June 2020 will be between R335.2m and R283.7m, representing a decrease of between 35% to 45%, compared to R515.8m for the prior comparative period ended 30 June 2019.

Shareholders are further advised that, in the interests of capital preservation and the prevailing uncertainty resulting from the COVID-19 impact, SA Corporate will not be paying an interim distribution for the six months ended 30 June 2020. As a result of this decision, distribution per share for the six months ended 30 June 2020 will be nil (30 June 2019 : 20.38 cents per share).

Update on trading conditions

An update on trading conditions amidst COVID-19 was provided in our Pre-close Update Presentation on 29 June 2020 which can be found at the link hereunder.

https://www.sacorporatefund.co.za/content/uploads/2020/06/SA%20Corporate_2020%20Interim%20Results%20Pre-Close%20Interim%20June%202020%20Final.pdf

The collections and rent relief schedule provided in this presentation has been updated and is as tabulated below. It should be noted that this reflects collections in the month, i.e. before allocating the collections to aged arrears, and of total contracted income before relief provided to tenants. The aforementioned is to ensure that the reader can explicitly be informed of the latest collection performance in a particular month and also how this relates to contracted income prior to any rent relief.

Contribution	Retail ¹	Industrial	Commercial	Storage	Afhco Retail	Residential	Student accommodation	SA Total	Zambian JV
Normal NPI contribution	37,4%	28,7%	1,3%	0,4%	2,5%	23,5%	0,7%	94,5%	5,5%
April 2020 Collections	Retail ¹	Industrial	Commercial	Storage	Afhco Retail	Residential	Student accommodation	SA Total	Zambian JV
Collections in the month	55,6%	72,9%	74,1%	85,4%	28,7%	72,9%	76,8%	62,9%	30,7%
Relief to tenants (% of billings)	19,8%	0,0%	0,0%	0,0%	59,6%	3,4%	0,0%	13,0%	26,8%
Awaiting substantiation	0,0%	0,0%	0,0%	0,0%	0,0%	2,5%	0,0%	0,4%	0,0%
Write-offs	19,8%	0,0%	0,0%	0,0%	59,6%	0,9%	0,0%	12,6%	26,8%
Deferments	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%
Under negotiation/Arrears/Prior period collections	24,6%	27,1%	25,9%	14,6%	11,7%	23,7%	23,2%	24,1%	42,5%
Contractual billings	100,0%	100,0%	100,0%	100,0%	100,0%	100,0%	100,0%	100,0%	100,0%
May 2020 Collections	Retail ¹	Industrial	Commercial	Storage	Afhco Retail	Residential	Student accommodation	SA Total	Zambian JV
Collections in the month	66,1%	72,9%	57,4%	91,3%	27,2%	71,7%	54,2%	65,6%	55,5%
Relief to tenants (% of billings)	9,5%	8,9%	18,9%	0,0%	59,0%	3,8%	0,0%	11,7%	30,3%
Awaiting substantiation	0,0%	0,0%	0,0%	0,0%	3,5%	3,8%	0,0%	0,9%	0,0%
Write-offs	9,5%	0,0%	18,9%	0,0%	55,3%	0,0%	0,0%	8,5%	30,3%
Deferments	0,0%	8,9%	0,0%	0,0%	0,2%	0,0%	0,0%	2,3%	0,0%
Under negotiation/Arrears/Prior period collections	24,4%	18,2%	23,7%	8,7%	13,8%	24,5%	45,8%	22,7%	14,2%
Contractual billings	100,0%	100,0%	100,0%	100,0%	100,0%	100,0%	100,0%	100,0%	100,0%
June 2020 Collections	Retail ¹	Industrial	Commercial	Storage	Afhco Retail	Residential	Student accommodation	SA Total	Zambian JV
Collections in the month ²	94,1%	119,5%	116,3%	100,0%	54,2%	81,5%	166,3%	97,9%	65,4%
Relief to tenants (% of billings)	6,7%	13,3%	8,2%	0,0%	31,1%	4,8%	0,0%	9,5%	31,7%
Awaiting substantiation	0,0%	0,0%	0,0%	0,0%	0,4%	4,8%	0,0%	1,0%	0,0%
Write-offs	6,7%	0,2%	8,2%	0,0%	30,6%	0,0%	0,0%	5,4%	31,7%
Deferments	0,0%	13,1%	0,0%	0,0%	0,1%	0,0%	0,0%	3,1%	0,0%
Under negotiation/Arrears/Prior period collections	-0,8%	-32,8%	-24,5%	0,0%	14,7%	13,7%	-66,3%	-7,4%	2,9%
Contractual billings	100,0%	100,0%	100,0%	100,0%	100,0%	100,0%	100,0%	100,0%	100,0%
July 2020 Collections	Retail ¹	Industrial	Commercial	Storage	Afhco Retail	Residential	Student accommodation	SA Total	Zambian JV
Collections in the month	85,2%	94,0%	86,7%	104,4%	95,5%	87,0%	100,8%	89,1%	60,7%
Relief to tenants (% of billings)	8,3%	1,1%	0,0%	0,0%	20,2%	0,9%	0,0%	5,4%	18,2%
Awaiting substantiation	0,0%	0,0%	0,0%	0,0%	14,3%	0,9%	0,0%	1,2%	0,0%
Write-offs	8,3%	1,1%	0,0%	0,0%	5,9%	0,0%	0,0%	4,2%	18,2%
Deferments	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%
Under negotiation/Arrears/Prior period collections	6,5%	4,9%	13,3%	-4,4%	-15,7%	12,1%	-0,8%	5,5%	21,1%
Contractual billings	100,0%	100,0%	100,0%	100,0%	100,0%	100,0%	100,0%	100,0%	100,0%

1 Retail excludes external ownership whereas in the Pre-close Update Presentation on 29 June 2020 the statistics disclosed included external ownership.

2 Statistics higher than those disclosed in the Pre-close Update Presentation on 29 June 2020 due to collections being to the end of the month rather than to 26 June 2020.

Release of results for the six months ended 30 June 2020

The Company intends releasing its results for the six months ended 30 June 2020 on 15 September 2020.

Payment of tranche 2 of 2019 final distribution

Shareholders are referred to the announcement released on SENS on 20 April 2020 which set out the postponement of the payment of tranche 2 of the final distribution for the year ended 31 December 2019 ("Tranche 2"). In this regard, the Company will advise in respect of the payment of Tranche 2 when it releases its results for the six months ended 30 June 2020.

The financial information in this announcement has not been reviewed or reported on by SA Corporate's auditors.

Cape Town

28 August 2020

Sponsor

Nedbank Corporate and Investment Banking