

(Incorporated in the Republic of South Africa) (Registration number 2015/015578/06) Approved as a REIT by the JSE Share code: SAC  
ISIN code: ZAE000203238 ("SA Corporate" or the "Company" or the "Group")

## Introduction

SA Corporate Real Estate Limited is a JSE-listed Real Estate Investment Trust ("REIT") which owns a diversified portfolio of quality industrial, retail, commercial and residential buildings located primarily in the major metropolitan areas of South Africa with a secondary node in Zambia. The property portfolio consists of 188 properties, with 1 059 983 m<sup>2</sup> of lettable area, valued at R16.0 billion, a 50% joint venture in three Zambian properties valued at R879.6 million, an 80% joint venture in The Falls Lifestyle Estate valued at R141.8 million and listed investments valued at R112.8 million.



## Overview

- ▶ FY Distributable income of R601.135 million or 23.90cps (2019: R959.974 million or 38.04cps)
- ▶ Total net property income of R1.1 billion (2019: R1.4 billion)
- ▶ Total like-for-like net property income of R1.0 billion (2019: R1.2 billion)
- ▶ Contracted and executed disposals R1.6 billion<sup>#</sup> (2020 Transferred: R375.2 million; 2020 Contracted: R769.1 million; 2021 Transferred: R104.6 million; 2021 Contracted: R338.9 million)
- ▶ Executed acquisitions of R385.7 million (In return for loans to developers requiring no further material funding)
- ▶ Loan to value of 38.6%\* (2019: 36.6%)

# 1 January 2020 to 25 March 2021

\* Net debt LTV excluding derivatives, which if included would be 41.2% (2019: 37.0%)

## Salient features

The salient features of the Group annual financial results for the year ended 31 December 2020, as compared to the year ended 31 December 2019, are set out below:

Revenue of **R2 062.2 million** (2019: R2 283.9 million) Operating income of R980.1 million (2019: R1 301.3 million)

Headline earnings per share of **6.34 cents** (2019: 34.73 cents)

Earnings per share of **-59.39 cents\*** (2019: 9.32 cents)

Net asset value per share of **401 cents** (2019: 477 cents)

Annual distribution per share of **17.93 cents** (2019: 38.04 cents)

\* Decline primarily due to movement in property valuations by -60.33 cents.

## Distribution declaration and important dates

Notice is hereby given of the declaration of distribution – no. 11 in respect of the income distribution period 1 January 2020 to 31 December 2020. The distribution amounts to 17.92841cps (2019: 38.04cps).

The source of the distribution comprises net income from property rentals. Please refer to the statement of comprehensive income for further details. 2 514 732 095 SA Corporate shares are in issue at the date of this distribution declaration and SA Corporate's income tax reference number is 9179743191

Last date to trade cum distribution	Tuesday, 20 April 2021
Shares will trade ex-distribution	Wednesday, 21 April 2021
Record date to participate in the distribution	Friday, 23 April 2021
Payment of distribution	Monday, 26 April 2021

Share certificates may not be dematerialised or rematerialised between Wednesday, 21 April 2021 and Friday, 23 April 2021, both days inclusive.

## Tax implications

As SA Corporate has REIT status, shareholders are advised that the distribution meets the requirements of a "qualifying distribution" for the purposes of section 25BB of the Income Tax Act, No 58 of 1962 ("Income Tax Act"). The distributions on SA Corporate shares will be deemed to be dividends, for South African tax purposes, in terms of section 25BB of the Income Tax Act. The distributions received by or accrued to South African tax residents must be included in the gross income of such shareholders and are not exempt from income tax (in terms of the exclusion to the general dividend exemption, contained in paragraph (aa) of section 10(1)(k)(i) of the Income Tax Act) because they are dividends distributed by a REIT, with the effect that the distribution is taxable in the hands of the shareholder.

These distributions are, however, exempt from dividend withholding tax in the hands of South African tax resident shareholders, provided that the South African resident shareholders have provided the following forms to their CSDP or broker, as the case may be, in respect of uncertificated shares, or the transfer secretaries, in respect of certificated shares:

- (a) a declaration that the distribution is exempt from dividends tax; and
- (b) a written undertaking to inform the CSDP, broker or the transfer secretaries, as the case may be, should the circumstances affecting the exemption change or the beneficial owner ceases to be the beneficial owner, both in the form prescribed by the Commissioner for the South African Revenue Service.

SA Corporate shareholders are advised to contact the CSDP, broker or transfer secretaries, as the case may be, to arrange for the abovementioned documents to be submitted prior to payment of the distribution, if such documents have not already been submitted.

## Notice to non-resident shareholders

Distributions received by non-resident shareholders will not be taxable as income and instead will be treated as ordinary dividends which are exempt from income

tax in terms of the general dividend exemption in section 10(1)(k)(i) of the Income Tax Act. Distribution received by a non-resident from a REIT are subject to dividend withholding 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 shareholder.

Assuming dividend withholding tax will be withheld at a rate of 20%, the net dividend amount due to non-resident shareholders is 14.34273 cents per SA Corporate share. A reduced dividend withholding rate, in terms of the applicable DTA, may only be relied on if the non-resident shareholder has provided the following forms to the CSDP or broker, as the case may be, in respect of uncertificated shares, or the transfer secretaries, in respect of certificated shares:

- (a) a declaration that the dividend is subject to a reduced rate as a result of the application of a DTA; and
- (b) a written undertaking to inform the CSDP, broker or the transfer secretaries, as the case may be, should the circumstances affecting the reduced rate change or the beneficial owner ceases to be the beneficial owner, both in the form prescribed by the Commissioner for the South African Revenue Service.

Non-resident shareholders are advised to contact the CSDP, broker or the transfer secretaries, as the case may be, to arrange for the above mentioned documents to be submitted prior to payment of the distribution if such documents have not already been submitted, if applicable.

## Short-form notice

The contents of this short-form announcement are the responsibility of the Board of Directors of the Company. PricewaterhouseCoopers Inc. have issued an unmodified auditor's report on the Group annual financial statements for the year ended 31 December 2020. Shareholders are advised that this short-form announcement represents a brief summary of the information contained in the full announcement, which, along with the key audit matters detailed in the auditor's opinion in the annual financial statements, are published on <https://senspdf.jse.co.za/documents/2021/jse/isse/SACE/ye2020.pdf> and on SA Corporate's website <https://www.sacorporatefund.co.za> Any investment decisions by investors and/or shareholders should be based on a consideration of the full announcement as a whole and shareholders are encouraged to review the full announcement as directed above. Investors and/or shareholders may request copies of the full announcement by contacting the registered office, details of whom are set out below. The announcement is available for inspection at the registered office of the Company at no charge during business hours, by prior appointment due to COVID restrictions.

For a more comprehensive analysis of SA Corporate's results and outlook, please refer to <https://www.sacorporatefund.co.za>

Cape Town

29 March 2021

Sponsor: Nedbank Corporate and Investment Banking

## DIRECTORATE AND STATUTORY INFORMATION

Registered office	Registered auditors	Transfer secretaries	Sponsor	Directors	
South Wing, First Floor Block A The Forum North Bank Lane Century City 7441 Tel 021 529 8410	PricewaterhouseCoopers Inc. 5 Silo Square V&A Waterfront Cape Town 8002	Computershare Investor Services Proprietary Ltd Rosebank Towers 15 Biermann Avenue Rosebank 2196	Nedbank Corporate and Investment Banking, a division of Nedbank Limited 135 Rivonia Road Sandton 2196	MA Moloto (Chairman) OR Moselehi (Lead independent director) TR Mackey (Chief Executive Officer)* AM Basson (Chief Financial Officer)*	RJ Biesman-Simons N Ford-Hoon (Fok) EM Hendricks GJ Heron S Mafoyane A van Heerden * Executive

