

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
Bond company code: VKEI
(Granted REIT status with the JSE)
(“**Vukile**” or “**the Company**”)



CASH DIVIDEND: TAX TREATMENT AND SALIENT DATES

Shareholders are referred to Vukile’s audited consolidated results for the year ended 31 March 2021, released on SENS on 9 June 2021, and in particular, the notification of a gross cash dividend of 101.04391 cents per share for the year ended 31 March 2021 (“**the dividend**”) referred to therein, and are advised as follows:

Vukile was granted REIT status by the JSE Limited with effect from 1 April 2013 in line with the REIT structure as provided for in the Income Tax Act, 58 of 1962, as amended (the Income Tax Act) and section 13 of the JSE Listings Requirements.

The REIT structure is a tax regime that allows a REIT to deduct qualifying dividends paid to investors, in determining its taxable income.

The cash dividend of 101.04391 cents per share meets the requirements of a “qualifying distribution” for the purposes of section 25BB of the Income Tax Act (a qualifying distribution) with the result that:

- dividends received by South African resident Vukile shareholders must be included in the gross income of such shareholders (as a non-exempt dividend in terms of section 10(1)(k)(i)(aa) of the Income Tax Act), with the effect that the dividends are taxable as income in the hands of the Vukile shareholder. These dividends are, however, exempt from dividends withholding tax, provided that the South African resident shareholders provided the following forms to their CSDP or broker, as the case may be, in respect of uncertificated shares, or the company, in respect of certificated shares:
 - a declaration that the distribution is exempt from dividends tax; and
 - a written undertaking to inform the CSDP, broker or the company, as the case may be, should the circumstances affecting the exemption change or the beneficial owner cease to be the beneficial owner,

both in the form prescribed by the Commissioner for the South African Revenue Service. Shareholders are advised to contact their CSDP, broker or the company, 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.

- dividends received by non-resident Vukile shareholders will not be taxable as income and instead will be treated as ordinary dividends but which are exempt in terms of the usual dividend exemptions per section 10(1)(k) of the Income Tax Act. It should be noted that dividends received by non-residents are subject to dividends withholding tax at a rate of 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 dividends withholding tax will be withheld at a rate of 20%, the net distribution amount due to non-resident shareholders is 80.83513 cents per share. A reduced dividend withholding rate in terms of the applicable DTA, may only be relied upon if the non-resident holder has provided the following forms to their CSDP or broker, as the case may be, in respect of uncertificated shares, or the Company, in respect of certificated shares:

- a declaration that the dividend is subject to a reduced rate as a result of the application of a DTA; and
- a written undertaking to inform their CSDP, broker or the company, as the case may be, should the circumstances affecting the reduced rate change or the beneficial owner cease to be the beneficial owner,

both in the form prescribed by the Commissioner for the South African Revenue Service. Non-resident holders are advised to contact their CSDP, broker or the company, 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, if applicable.

Shareholders are further advised that:

- the issued capital of Vukile is 956 226 628 shares of no par value at 9 June 2021, being the declaration date; and
- Vukile's tax reference number is 9331/617/14/3.

The salient dates relating to the cash dividend are as follows:

Salient dates and times	2021
Last day to trade cum dividend	Tuesday, 20 July
Shares trade ex dividend	Wednesday, 21 July
Record date	Friday, 23 July
Payment date	Monday, 26 July

Notes:

1. Share certificates may not be dematerialised or rematerialised between , Wednesday, 21 July 2021 and Friday, 23 July 2021, both days inclusive.
2. Payment of the dividend will be made to shareholders on Monday, 26 July 2021. In respect of dematerialised shares, the dividend will be transferred to the CSDP accounts/broker accounts on Monday, 26 July 2021. Certificated shareholders' dividend payments will be deposited on or about Monday, 26 July 2021.

9 June 2021

JSE sponsor



NSX sponsor

