

DIPULA INCOME FUND LIMITED

(Incorporated in the Republic of South Africa)

(Registration number 2005/013963/06)

JSE share code: DIA ISIN: ZAE000203378

JSE share code: DIB ISIN: ZAE000203394

(Approved as a REIT by the JSE)

(“Dipula” or “the Company”)



RENEWAL OF CAUTIONARY ANNOUNCEMENT AND TRADING STATEMENT

Introduction

Shareholders are referred to the announcement published on SENS on 27 August 2021, wherein shareholders were advised that Resilient REIT Limited (“**Resilient**”) proposed making a R1 billion investment in Dipula. The proposal is subject to conditions including the conclusion of formal agreements and that the dual share capital structure of Dipula is simplified so that it has a single class of ordinary shares. Dipula is engaging with key institutional shareholders regarding their views on the proposal. In order to facilitate this engagement, Dipula is providing a trading statement for its year ended 31 August 2021, the Dipula board’s view of Dipula’s prospects for the year ending 31 August 2022 and further details on the proposal.

Trading statement and prospects

Dipula expects to report the following distributable earnings per share for the year ended 31 August 2021:

Cents per share	Six months ended 28 February 2021	Six months ended 31 August 2021	Year ended 31 August 2021	Year ended 31 August 2020	% change
A share	59.02029	59.70	118.72029	114.49016	3.7%
B share	45.09965	44.59	89.68965	54.45985	64.7%
Aggregate A and B shares	104.11994	104.29	208.40994	168.95001	23.4%

As yet, Dipula has not declared a dividend for the six months ended 31 August 2021.

Distributable earnings for the year ending 31 August 2022 are expected to approximately equate to distributable earnings for the year ended 31 August 2021. This guidance is based on assumptions of no extraordinary events such as compulsory lockdowns or civil unrest, that contractual rental income will be substantially collected, no major corporate failures will occur and a stable macro-economic environment will prevail for the financial year.

The financial information above has not been reviewed or reported on by the Company’s auditors.

Further details on the proposed transaction with Resilient

It is envisaged that Resilient’s investment in Dipula would be by a specific issue of Dipula B shares to Resilient in exchange for cash and investment property (“**Resilient Subscription**”) in terms of which:

- Resilient will subscribe for 283 286 118 Dipula B shares for an aggregate consideration of R1 billion at an effective subscription price of R3.53 per Dipula B share;
- The Resilient Subscription will be implemented post the last day to trade to be eligible to receive any Dipula B dividend for the six months ended 31 August 2021, which is expected to be on or about 7 December 2021; and
- Resilient will settle the amount due by it for the Resilient Subscription through the sale to Dipula of a 50% undivided share in the rental enterprise known as Circus Triangle for R404.5 million (being 50% of the agreed property value) and the balance, being R595.5 million, in cash.

Renewal of cautionary

The proposed transaction is an opportunity to improve the outlook for and positioning of Dipula, providing it with a simplified capital structure (consisting of a single class of ordinary shares) and the benefit of a strategic relationship with Resilient.

Discussions are ongoing and shareholders are advised to continue to exercise caution when dealing in Dipula's shares until a further announcement is made.

Responsibility statement

The Dipula board accepts responsibility for the information contained in this announcement insofar as it relates to Dipula. To the best of its knowledge and belief, the information contained in this announcement is true and this announcement does not omit anything likely to affect the import of the information.

22 September 2021

Corporate advisor and sponsor

JAVACAPITAL

Legal advisor

CDH
CLIFFE DEKKER HOFMEYR