

2021



Provisional annual results

for the year ended 31 August 2021

| |
|---|
| Rent received on contractual basis (R'000) |
| Distributable income before tax (R'000) |
| Net asset value per share (SA REIT calculation) |
| Loan to value (LTV) (SA REIT calculation) |
| All-in annual weighted average cost of borrowings (SA REIT calculation) |

| 31 August 2021 | 31 August 2020 |
|----------------|----------------|
| R1 838 666 | R1 886 052 |
| R401 146 | R420 431 |
| R23.20 | R24.80 |
| 43.2% | 42.5% |
| 8.5% | 8.7% |

This short form announcement is the responsibility of the directors. This short form announcement is only a summary of the information in the full announcement and does not contain full or complete details. The condensed consolidated provisional financial statements were reviewed by Deloitte & Touche and their unmodified report is available for inspection at the company's registered address.

Copies of the full announcement may be requested at the company's registered office (elizeg@octodec.co.za) or the office of the sponsor (sponsor@javacapital.co.za), at no charge, during office hours, Monday to Friday. Any investment decisions made by shareholders and/or investors should be based on a consideration of the full announcement, released on the Stock Exchange News Service (SENS) on 2 November 2021, which may be downloaded from <https://senspdf.jse.co.za/documents/2021/JSE/isse/OCT/FY2021.pdf>

The full announcement is also available on the Octodec Investments Limited website at

<https://www.octodec.co.za/investors-financial/reviewed-provisional-annual-results-for-the-year-ended-31-august-2021/>

Octodec Investments Limited (Octodec, the company), its subsidiaries and associated company (the group) is a real estate investment trust (REIT) listed on the JSE Ltd (JSE). Octodec has a diversified portfolio of 267 residential, retail, office, industrial and specialised properties situated in the major metropolitan areas of Tshwane and Johannesburg. The portfolio, including a joint venture, has a lettable area of 1 621 564m² and is valued at R11.2 billion.

Dividends

Given the uncertainty and risks of the continuing impact of COVID-19 and the underperforming local economy, the board of Octodec has resolved to declare a dividend of 50 cents per share for the year ended 31 August 2021 (31 August 2020: 100 cents). The decision to reduce the dividend is in line with Octodec's decision to pay out the minimum distribution requirement of 75% of taxable income in order to retain its REIT status, having regard to the available assessed losses in the group. The reduced dividend is aligned with the group's strategic objectives to reduce debt, to strengthen the balance sheet and conserve cash whilst retaining the REIT status. Shareholders are referred to the separate SENS announcement in this regard.

| | % change | Reviewed 31 August 2021 | Audited 31 August 2020 |
|--|----------|-------------------------------|------------------------------|
| Revenue (R'000) | (2.5) | 1 834 313 | 1 880 496 |
| Basic and diluted loss per share (cents) | (80.4) | (65.7) | (335.0) |
| Headline and diluted headline earnings per share (cents) | 196.2 | 177.7 | 60.0 |
| Distributable income per share (cents) | (14.1) | 134.6 | 156.8 |
| Dividend per share (cents) | (50.0) | 50.0 | 100.0 |
| Net asset value per share (cents) | (6.5) | 23.2 | 24.8 |

Prospects

Octodec expects the constrained environment to continue as a result of the longer-term impact of COVID-19 on the South African economy, further exacerbated by the negative GDP growth outlook and an uncertain political environment.

While we remain cautious on the outlook, the Board believes that Octodec is well-positioned to navigate the market challenges into the recovery phase. We have already seen green shoots across the various sectors, and remain optimistic that the group's diversified portfolio, large, granular tenant base, sound operating fundamentals and prudent capital management practices, backed by an experienced management team with a proven track record of delivering returns through various cycles, will stand the business in good stead.

Due to the current weak local environment and the uncertainty arising from the continuing impact of COVID-19 on our business, the Board will, at this stage, not be providing guidance on distributable income and dividends for FY2022.

Sharon Wapnick
Chairman

29 October 2021

Jeffrey Wapnick
Managing director

OCTODEC INVESTMENTS LIMITED

Incorporated in the Republic of South Africa
Registration number: 1956/002868/06

JSE share code: OCT
ISIN: ZAE000192258 (Approved as a REIT by the JSE)

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Directors: S Wapnick (Chairman)¹, JP Wapnick (managing director)², A Vieira (financial director)^{3*}, RWR Buchholz^{4*}, DP Cohen⁵, GH Kemp⁶, NC Mabunda⁶, EMS Mojapelo⁶, MZ Pollack¹, PJ Strydom⁶, LP van Breda⁴

¹ Non-executive director

² Executive director

³ Lead independent director

⁴ Independent non-executive director

* A Vieira was appointed on 1 September 2021 following the resignation of AK Stein on 31 August 2021 and RWR Buchholz was appointed on 1 October 2021

Group company secretary

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www.octodec.co.za