



SA Corporate Real Estate Limited ("SA Corporate" or "the Company" or "the Group") (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

Introduction

SA Corporate 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 165 properties, with 1 355 665m² of gross lettable area, valued at R15.0 billion, a 50% joint venture ("JV") interest in three Zambian entities with properties valued at R1.1 billion, a 90% JV interest in The Falls Lifestyle Estate with property valued at R177.3 million and listed investments valued at R162.9 million.



Overview

▶ **Distributable income** ↑ **6.4%**

R639.5 million or 25.43 cps

(2020: R601.1 million or 23.90 cps)

▶ **Total net property income of R1.1 billion**

(2020: R1.1 billion)

▶ **Total like-for-like net property income increased by 9.9% to R1.1 billion** (2020: R1.0 billion)

▶ **Disposal pipeline contracted and still to transfer & divestments transferred since 1 January 2021 of R1.8 billion**

(2021 contracted: R916.4 million) Transferred in 2021: R853.6 million; 2021YE contracted not yet transferred: R964.8 million

▶ **Loan to value ("LTV") ratio of 37.4%***

(2020: 38.6%*)

* Net debt LTV excluding derivatives, which if included would be 38.5% (2020: 41.2%)

Salient features

The salient features of the Group annual financial results for the year ended 31 December 2021, as compared to the year ended 31 December 2020, are set out below:

Revenue of **R2 121.5 million**
(2020: R2 062.2 million)

Operating profit* of **R617.5 million**
(2020 loss*: R537.1 million)

* Includes fair value loss on investment properties

Headline earnings per share of **48.44 cents**
(2020: 6.34 cents)

Basic earnings per share of **24.69 cents**
(2020 loss: 59.39 cents)

Net asset value per share of **400 cents**
(2020: 401 cents)

Annual distribution ↑ **27.7%**
22.89 cps* at 90% payout ratio
(2020: 17.93 cps at 75% payout ratio)

Includes distribution of 10.27 cps paid in respect of H1 2021

Distribution declaration and important dates

Notice is hereby given of the declaration of distribution – no. 13 in respect of the income distribution period 1 July 2021 to 31 December 2021. The distribution amounts to 12.61570 cps for the six months (2020 12 months: 17.92841 cps).

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, 5 April 2022

Shares will trade ex-distribution Wednesday, 6 April 2022

Record date to participate in the distribution Friday, 8 April 2022

Payment of distribution Monday, 11 April 2022

Share certificates may not be dematerialised or rematerialised between Wednesday, 6 April 2022 and Friday, 8 April 2022, 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 declaration that the distribution is exempt from dividends tax; and
- 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. Distributions 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 10.09256 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 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 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 2021. 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 Group annual financial statements, are published on <https://senspdf.jse.co.za/documents/2022/jse/issue/SACE/ye2021.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 which 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

17 March 2022

Sponsor: Nedbank Corporate and Investment Banking, a division of Nedbank Limited

DIRECTORATE AND STATUTORY INFORMATION

Registered office	Registered auditors	Transfer secretaries	Sponsor	Directors	RJ Biesman-Simons
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)* SY Moodley (Chief Financial Officer)*	N Ford-Hoon (Fok) EM Hendricks GJ Heron SS Mafoyane * Executive