

## CASTLEVIEW PROPERTY FUND LIMITED

(Incorporated in the Republic of South Africa)

(Registration number: 2017/290413/06)

JSE share code: CVW

ISIN: ZAE000251633

(Approved as a REIT by the JSE)

("Castlview")



## SHORT-FORM ANNOUNCEMENT: PROVISIONAL SUMMARISED REVIEWED CONSOLIDATED FINANCIAL STATEMENTS FOR THE TWELVE MONTHS ENDED 28 FEBRUARY 2022

### KEY FINANCIAL HIGHLIGHTS

	28 February 2022	28 February 2021	% change
Revenue	57 619 071	49 611 519	16.14%
Headline earnings per share (cents)	52.16	31.93	63.36%
Earnings per share (cents)	50.57	(63.82)	179.24%
Distribution per share (cents)	44.74	26.60	68.20%
Net asset value per share (cents)	460.92	436.70	5.55%

### NATURE OF THE BUSINESS

Castleview is a property holding and investment company that is invested in two well-located shopping centres, namely, Pier 14 Shopping Centre in Govan Mbeki Road, Gqeberha (Port Elizabeth), which is defined as a small regional shopping centre with 29 690m<sup>2</sup> of rentable space and is anchored by large national tenants such as Shoprite, Pep, Ackermans and Mr Price, and, secondly, Cravenby Shoprite, which is a convenience shopping centre of 3,301m<sup>2</sup>, located in Goodwood, Cape Town, anchor tenanted by Shoprite and Pep.

### TRADING PERFORMANCE

The reporting period saw significantly improved trading conditions as a result of a national recovery from the Covid-19 induced lockdown in 2020 and 2021, with national retail sales increasing by in excess of 10% over this period according to StatsSA. This benefited the tenants at Pier 14, whose turnover for the twelve months increased by 18.2% year-on-year (-14,1% for the twelve months to February 2021), with foot traffic increasing by 16.1%, implying an increase in basket size per shopper of 1.8%.

Due to a concerted effort by management to lease vacant space and the improvement in trading conditions, total vacancies at Pier 14 reduced further during the period, moving from 9.2% in February 2021 to 6.4% by February 2022. Retail vacancies decreased from 8.6% to 4.8%, offices increased marginally from 14.1% to 14.2%, while vacancies in the residential tower decreased marginally from 6.7% to 6.2%. Cravenby Shopping Centre transferred to the fund on 19 May 2021, with this property's net income and associated interest costs therefore being included in Castleview's results for approximately nine and a half months of the period under review. Cravenby Shopping Centre has a vacancy of 1.4%, which is expected to be relet on completion of a planned, extension to the centre of 500m<sup>2</sup> later this year.

### PAYMENT OF DIVIDEND

The board of directors of Castleview has approved and notice is hereby given of the final gross dividend of 44.74000 cents per share for the six months ended 28 February 2022.

A circular providing further information in respect of the cash dividend and share reinvestment alternative will be sent to Castleview shareholders on Friday, 20 May 2022.

Shareholders who have dematerialised their shares through a Central Securities Depository Participant ("CSDP") or broker should instruct their CSDP or broker with regard to their election, in accordance with the terms of the custody agreement entered into between them and their CSDP or broker.

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**Salient dates and times****2022**

Circular and form of election posted to shareholders and announced on SENS	Friday, 20 May
Finalisation information including the share ratio and reinvestment price per share published on SENS by 11:00 (SA time)	Tuesday, 31 May
Last day to trade in order to participate in the election to receive the dividend reinvestment alternative or to receive a cash dividend (“LDT”)	Tuesday, 7 June
Shares trade ‘ex’ dividend	Wednesday, 8 June
Listing of maximum possible number of shares under the dividend reinvestment alternative	Friday, 10 June
Last day to elect to receive the dividend reinvestment alternative or to receive a cash dividend (no late forms of election will be accepted) at 12:00 (SA time)	Friday, 10 June
Record date for the election to receive shares in terms of the dividend reinvestment alternative or to receive a cash dividend (“record date”)	Friday, 10 June
Results of cash dividend and dividend reinvestment alternative published on SENS	Monday, 13 June
Cash dividend paid to certificated shareholders by electronic funds transfer on or about	Monday, 13 June
Accounts credited by CSDP or broker to dematerialised shareholders with the cash dividend Payment	Monday, 13 June
Share certificates posted to certificated shareholders on or about	Thursday, 15 June
Accounts updated with the new shares (if applicable) by CSDP or broker to dematerialised shareholders	Thursday, 15 June
Adjustment to shares listed on or about	Friday, 17 June

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**Notes:**

Shareholders electing the dividend reinvestment alternative are alerted to the fact that the new shares will be listed on LDT + 3 and that these new shares can only be traded on LDT + 3 due to the fact that settlement of the shares will be three days after the record date, which differs from the conventional one day after record date settlement process.

Shares may not be dematerialised or rematerialised between Wednesday, 8 June 2022 and Friday, 10 June 2022, both days inclusive.

The above dates and times are subject to change. Any changes will be released on SENS.

Shareholders are advised that in electing to participate in the dividend reinvestment alternative, pre-taxation funds are utilised for the purposes and that taxation will be due on the total cash dividend amount of 44.74000 cents per share.

The board of directors of Castleview, in its discretion, may withdraw the dividend reinvestment alternative should market conditions warrant such action and such withdrawal will be communicated to shareholders prior to the release of the finalisation announcement on SENS.

This cash dividend or the dividend reinvestment alternative may have tax implications for resident as well as non-resident shareholders. Shareholders are therefore encouraged to consult their professional advisors should they be in any doubt as to the appropriate action to take.

**FRACTIONS**

Trading in the Strate environment does not permit fractions and fractional entitlements. Where a shareholder's entitlement to the shares in relation to the dividend reinvestment alternative gives rise to an entitlement to a fraction of a new share, such fraction will be rounded down to the nearest whole number with the cash balance of the dividend being retained by the shareholders.

**FOREIGN SHAREHOLDERS**

The release, publication or distribution of this announcement and the circular and/or accompanying documents and the right to elect shares pursuant to the dividend reinvestment alternative in jurisdictions other than the Republic of South Africa may be restricted or affected by the laws of such jurisdictions, and a failure to comply with any of those restrictions may constitute a violation of the securities laws of any such jurisdictions. The shares issued pursuant to the dividend reinvestment plan have not been and will not be registered for the purposes of the election under the securities laws of the United States, Australia, Canada, countries in the European Economic Area, Japan and Hong Kong and accordingly are not being offered, sold, taken up, re-sold or delivered directly or indirectly to recipients with

registered addresses in such jurisdictions unless certain exemptions from the requirements of those jurisdictions are applicable.

## TAX IMPLICATIONS

Castleview was granted REIT status by the JSE Limited upon listing on the JSE, in line with the REIT structure as provided for in the Income Tax Act, No. 58 of 1962, as amended from time to time (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 distributions paid to investors, in determining its taxable income.

The cash dividend of 44.74000 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:

- qualifying distributions received by resident Castleview 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 qualifying distribution is taxable as income in the hands of the Castleview shareholder. These qualifying distributions 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 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,
- a declaration that the dividend is exempt from dividends tax; and

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 abovementioned documents to be submitted prior to payment of the dividend, if such documents have not already been submitted.

- qualifying distributions received by non-resident Castleview 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. Any qualifying distribution is subject to dividends 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 dividends withholding tax will be withheld at a rate of 20%, the net dividend amount due to non-resident shareholders is 35.79200 cents per share. A reduced dividend withholding rate in terms of the applicable DTA, may only be relied upon if the non-resident shareholder 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 shareholders 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 dividend if such documents have not already been submitted, if applicable.

Shareholders who are South African residents are advised that in electing to participate in the share dividend alternative, pre-taxation funds are utilised for the reinvestment purposes and that taxation will be due on the total cash dividend amount of 44.74000 cents per share.

Other information:

- The ordinary issued share capital of Castleview is 37 411 169 ordinary shares of no par value before any election to reinvest the cash dividend.
- Income Tax Reference Number of Castleview: 9366916188.

The cash dividend or dividend reinvestment alternative may have tax implications for resident as well as non-resident shareholders. Shareholders are therefore encouraged to consult their tax and/or professional advisors should they be in any doubt as to the appropriate action to take.

## **REVIEW CONCLUSION**

The provisional summarised reviewed consolidated financial statements for the twelve months ended 28 February 2022 have been reviewed by Nolands Inc, who expressed an unmodified review conclusion thereon. A copy of the auditor's review report is available for inspection at the company's registered office together with the provisional annual financial statements for the twelve months ended 28 February 2022.

This short-form announcement is the responsibility of the directors of Castleview. This short-form announcement is only a summary of the information in the full announcement released on SENS and does not contain full or complete details. Any investment decisions by investors and/or shareholders should be based on consideration of the full announcement as a whole.

The full announcement is available on:

the JSE website at: <https://senspdf.jse.co.za/documents/2022/JSE/isse/CVWE/FY2022.pdf>; and  
Castleview's website at <https://castleview.co.za/investors/>.

Copies of the full announcement may be requested, by emailing Colin Dockrall at [colin@castleview.co.za](mailto:colin@castleview.co.za) or the designated advisor, Java Capital at [sponsor@javacapital.co.za](mailto:sponsor@javacapital.co.za).

20 May 2022

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**Designated advisor**

**JAVACAPITAL**