

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

The Company is a JSE-listed Real Estate Investment Trust ("REIT") and together with all its subsidiaries ("the Group" or "SA Corporate") owns a focused portfolio of quality industrial, retail and residential buildings located primarily in the major metropolitan areas of South Africa with a secondary node in Zambia. As at 30 June 2022, the property portfolio consisted of 160 properties, with 1 365 366m<sup>2</sup> of gross lettable area ("GLA"), valued at R15.1 billion, a 50% joint venture ("JV") interest in three Zambian entities with properties valued at R1 131.4 million, a 90% JV interest in The Falls Lifestyle Estate with property valued at R312.3 million and listed investments valued at R161.9 million.



## Overview

- ▶ **Interim distributable income ↑ 5.2% to R362.3 million or 14.41 cps**  
(June 2021: R344.5 million or 13.70 cps)
- ▶ **Total net property income ("NPI") of R594.8 million**  
(June 2021: R589.8 million)
- ▶ **Total like-for-like NPI increased ↑ 7.2% to R588.4 million**  
(June 2021: R548.9 million)
- ▶ **Traditional portfolio vacancies of 2.7% of GLA**  
(June 2021: 3.6%)
- ▶ **Afhco residential portfolio vacancies of 4.0% of total units** (June 2021: 8.4%)
- ▶ **Disposal pipeline contracted and still to transfer and divestments transferred since January 2022 R1.3 billion**  
(Transferred to 30 June 2022: R128.8 million; Contracted not yet transferred: R1 134.3 million, of which R317.7 million has transferred after 30 June 2022)

## Salient features

The salient features of the Group condensed consolidated interim financial results for the six months ended 30 June 2022, as compared to the six months ended 30 June 2021, are set out below:

Gross rental income of **R1 030.1 million**  
(June 2021: R1 055.4 million)

Operating profit of **R631.9 million**  
(June 2021: R354.9 million)

Headline earnings per share of **17.55 cents**  
(June 2021: 23.82 cents)

Basic earnings per share of **23.16 cents**  
(June 2021: 11.39 cents)

Net asset value per share of **412 cents**  
(June 2021: 393 cents)

Distribution declared **↑ 26.3% to 12.97 cps**  
at 90% payout ratio  
(June 2021: 10.27 cps at 75% payout ratio)

Loan to value ("LTV") ratio of **37.9%\***  
(December 2021: 37.4%\*)

\* Net debt LTV excluding derivatives, which if included would be 37.8%  
(December 2021: 38.5%)

## Distribution declaration and important dates

Notice is hereby given of the declaration of distribution number 14 in respect of the income distribution period 1 January 2022 to 30 June 2022. The payment amounts to 12.96668 cps (June 2021: 10.27368 cps). The source of the distribution comprises net income from property rentals. Please refer to the Condensed Consolidated Interim Statement of Comprehensive Income for further details. 2 514 732 095 of the Company's shares are in issue at the date of this distribution declaration and the Company's income tax reference number is 9179743191.

Last date to trade cum distribution	Tuesday, 18 October 2022
Shares will trade ex-distribution	Wednesday, 19 October 2022
Record date to participate in the distribution	Friday, 21 October 2022
Payment of distribution	Monday, 24 October 2022

Share certificates may not be dematerialised or rematerialised between Wednesday, 19 October 2022 and Friday, 21 October 2022, both days inclusive.

## Tax implications

In accordance with the Company's 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 the Company's 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 Central Securities Depository Participants ("CSDP") or broker, as the case may be, in respect of uncertificated shares, or the transfer secretaries, in respect of certificated shares:

- (a) a declaration that the distribution is exempt from dividends tax; and
- (b) 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.

The Company's shareholders are advised to contact the CSDP, broker or 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.

## 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 10.37334 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) a declaration that the dividend is subject to a reduced rate as a result of the application of a DTA; and
- (b) 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. Shareholders are advised that this short-form announcement represents a brief summary of the information contained in the full announcement, which is published on <https://senspdf.jse.co.za/documents/2022/jse/issue/SACE/ie2022.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.

**For a more comprehensive analysis of SA Corporate's results and outlook, please refer to <https://www.sacorporatefund.co.za>**

**Johannesburg**

15 September 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 (retired 6 June 2022)
GreenPark Corner 16th Floor Corner Lower Road and West Road South Morningside Johannesburg 2196 Tel 010 020 2530	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 Moseithi (Lead Independent Director) TR Mackey (Chief Executive Officer)* SY Moodley (Chief Financial Officer)* (appointed 1 March 2022)	N Ford-Hoon(Fok) EM Hendricks GJ Heron SS Mafoyanne * Executive