



SA CORPORATE REAL ESTATE LIMITED
(Incorporated in the Republic of South Africa)
(Registration number 2015/015578/06)
JSE share code: SAC ISIN: ZAE000203238
(Approved as a REIT by the JSE)
(SA Corporate)

FINANCIAL AND PROPERTY SPECIFIC INFORMATION IN RESPECT OF THE PROPOSED CATEGORY 2 ACQUISITION BY SA CORPORATE OF INDLUPPLACE PROPERTIES LIMITED BY WAY OF A SCHEME OF ARRANGEMENT

1. Introduction

Shareholders are referred to the firm intention announcement (**FIA**) released jointly by SA Corporate and Indluplace Properties Limited (**Indluplace**) on SENS today in terms of which SA Corporate has expressed its firm intention to make an offer, either itself or via a nominated group company (the **SAC Offeror**), to acquire the entire issued ordinary share capital of Indluplace (excluding treasury shares) (the **Proposed Transaction** or **SAC Offer**).

The Proposed Transaction will be implemented by way of a scheme of arrangement (**Scheme**) in terms of section 114(1)(c) of the Companies Act, No. 71 of 2008 (**Companies Act**), to be proposed by Indluplace to its shareholders, and to which the SAC Offeror will be a party. The SAC Offer will be made at a cash price of R3.40 per Indluplace ordinary share (**Indluplace Share**) acquired in terms of the Scheme (**Scheme Shares**).

The effective purchase consideration for the Indluplace property portfolio (calculated on the Scheme Shares net of the Indluplace share scheme shares and Buffet group shares as per notes 9 and 14 respectively of the Indluplace audited annual financial statements for the year ended 30 September 2022 (**Indluplace AFS**)), amounts to R1 007 million. The Proposed Transaction is subject to the fulfilment/waiver of the conditions precedent set out in paragraph 4.4 of the FIA. Paragraph 5 of the FIA describes the commercial effective date of the Proposed Transaction should it become operative in accordance with its terms.

In the event that the Scheme is implemented, Indluplace will become a wholly owned subsidiary of SA Corporate and accordingly, the listing of Indluplace Shares on the Main Board of the JSE Limited (**JSE**) will be terminated.

2. Financial information of Indluplace

The value of the net assets and the profits attributable to the net assets of Indluplace, are R2.1 billion and R11.2 million, respectively. The financial information in this announcement has been extracted from the Indluplace AFS, which were prepared in terms of International Financial Reporting Standards and the requirements of the Companies Act.

3. Property specific information of Indluplace

Shareholders are referred to pages 133 to 137 of Indluplace's integrated annual report for the year ended 30 September 2022 (**Indluplace IAR**), available at <https://www.indluplaceproperties.co.za/5-annual-reports.php>, for the Indluplace property specific information required to be disclosed by SA Corporate, as a result of the Proposed Transaction being a category 2 transaction for SA Corporate in terms of the JSE Listings Requirements, together with the information set out in the table below:

| Building name | Location | Valuation (R'000) | Residential units | Retail GLA (m ²) | Retail weighted average rental per m ² (R) |
|--------------------|----------------|-------------------|-------------------|------------------------------|---|
| One Eloff | Inner City | 81 000 | 320 | | |
| 320 Bree Street | Inner City | 49 864 | 60 | 4 943 | 101 |
| Cheryl Court | Inner City | | 36 | | |
| Agatha | Windsor | 3 539 | 16 | | |
| Airfield Towers | Jhb East | 18 177 | 33 | | |
| Rhodes Court | Jhb East | | 30 | | |
| Amberfield Village | Vanderbijlpark | 111 300 | 204 | | |
| Arches | Jhb East | 14 299 | 42 | | |
| Arvin Court | Hillbrow | 8 529 | 48 | | |
| Avril Gardens | Windsor | 3 860 | 13 | | |
| Balnagask | Hillbrow | 56 058 | 191 | | |
| Beacon Royal | Hillbrow | 8 292 | 30 | 1 | 97 |
| Belgrade | Jhb West | 8 442 | 44 | | |
| Blauwberg | Hillbrow | 53 900 | 103 | | |
| Cedar Valley | Jhb South | 28 600 | 58 | | |
| Charlotte | Jhb East | 10 240 | 18 | | |
| Harolean | Jhb East | | 12 | | |
| Irmgaud | Jhb East | | 17 | | |
| Chronicles | Jhb East | 5 241 | 24 | | |
| Cranborough Mews | Windsor | 21 774 | 48 | | |
| Curzon Court | Hillbrow | 5 926 | 36 | | |
| Dalem Mews | Windsor | 3 921 | 12 | | |
| Deuteronomy | Jhb East | 4 800 | 72 | | |
| Dukes Lodge | Windsor | 3 981 | 11 | | |
| Earls Den | Windsor | 10 020 | 24 | | |
| Elizabeth Gardens | Windsor | 1 750 | 7 | | |
| Empire Gardens | Hillbrow | 27 800 | 84 | | |
| En Gedi | Jhb East | 23 600 | 70 | | |
| Exodus | Jhb East | 4 700 | 24 | | |
| Ezra | Jhb East | 5 840 | 24 | | |
| Fairway View | Jhb East | 25 500 | 105 | | |
| Fasser House | Pretoria | 48 039 | 152 | 702 | 110 |
| Frangipani | Jhb North | 22 950 | 40 | 781 | 89 |
| Franschoek | Jhb North | 11 859 | 35 | | |
| Frederick House | Inner City | 54 451 | 139 | 789 | 97 |
| Garden View | Jhb North | 26 554 | 64 | | |
| Genesis | Jhb East | 5 500 | 24 | | |
| Geraldine | Hillbrow | 15 454 | 87 | | |
| Golden Oaks | Jhb East | 145 315 | 375 | | |
| Golden Views | Jhb East | 52 772 | 157 | 1 | 97 |
| Greenshank Villas | Jhb West | 34 581 | 119 | | |
| Highveld View | Emalahleni | 224 200 | 450 | | |
| Hillandale | Hillbrow | 6 300 | 27 | | |
| Ilanga | Windsor | 2 429 | 10 | | |

| Building name | Location | Valuation (R'000) | Residential units | Retail GLA (m ²) | Retail weighted average rental per m ² (R) |
|---------------------|----------------|-------------------|-------------------|------------------------------|---|
| Ironwood | Jhb West | 39 803 | 97 | 92 | 97 |
| Jackson's Cove | Jhb South | 30 600 | 88 | | |
| Janin | Windsor | 4 030 | 12 | | |
| Joshua | Jhb East | 5 321 | 72 | | |
| Jozi House | Inner City | 106 257 | 244 | 1150 | 188 |
| Judges | Jhb East | 5 443 | 21 | | |
| Karen Place | Windsor | 4 890 | 13 | | |
| Kenwyn | Windsor | 4 052 | 13 | | |
| Kevrab Manor | Windsor | 2 206 | 6 | | |
| Khaya Square | Windsor | 9 590 | 31 | 631 | 90 |
| Kilimanjaro | Jhb South | 35 200 | 92 | | |
| Kings | Jhb East | 6 193 | 21 | | |
| Kings Ransom | Inner City | 121 300 | 319 | 1656 | 68 |
| Kingston | Windsor | 4 890 | 16 | | |
| Lana Lee | Windsor | 3 730 | 10 | | |
| Leviticus | Jhb East | 4 881 | 24 | | |
| Lionsgate | Windsor | 5 880 | 12 | | |
| Logan's View | Jhb South | 24 120 | 42 | | |
| Longfellow Village | Vanderbijlpark | 37 800 | 51 | | |
| Margedale | Windsor | 6 882 | 20 | | |
| Maria Mansions | Jhb East | 11 330 | 33 | | |
| Marwyn | Windsor | 3 772 | 13 | | |
| Matroosberg | Hillbrow | 56 424 | 164 | 81 | 97 |
| Midhill Gardens | Hillbrow | 24 840 | 80 | | |
| Molrow House | Jhb East | 9 000 | 72 | 650 | 109 |
| Monsmeg | Hillbrow | 17 300 | 62 | 105 | 97 |
| Montere | Jhb North | 13 366 | 34 | | |
| Morgenster | Hillbrow | 10 222 | 45 | | |
| Mount Bradley | Windsor | 2 077 | 7 | | |
| My Place on 6th | Jhb West | 6 170 | 27 | | |
| Nehemiah | Jhb East | 8 816 | 30 | | |
| Neilsway | Windsor | 5 192 | 13 | | |
| Noordheuwel Heights | Jhb West | 27 902 | 51 | | |
| Northways | Hillbrow | 13 500 | 40 | | |
| Numbers | Jhb East | 6 231 | 71 | | |
| Park Crescent | Pretoria | 38 776 | 143 | | |
| Park Mews | Hillbrow | 14 684 | 84 | 413 | 83 |
| Park Village | Vanderbijlpark | 195 200 | 225 | | |
| Parnon | Bloemfontein | 23 498 | 71 | | |
| Philwade Manor | Windsor | 1 941 | 7 | | |
| Pomegranate Heights | Inner City | 21 755 | 116 | | |
| Prince Allan | Windsor | 1 986 | 6 | | |
| Progress House | Jhb North | 28 840 | 75 | 1204 | 59 |
| Protea Glen | Jhb South | 56 355 | 149 | | |
| Quagga | Pretoria | 86 900 | 247 | 9 | 97 |
| Rand President | Jhb North | 20 328 | 48 | | |
| Redwood | Jhb West | 59 700 | 136 | 91 | 97 |
| Robwill Mansions | Jhb East | 17 475 | 54 | | |
| Rosdin | Windsor | 5 475 | 13 | | |
| Rosewood | Jhb West | 43 800 | 100 | 91 | 97 |
| Rothchild Manor | Jhb West | 26 551 | 74 | | |
| Samuel | Jhb East | 5 723 | 21 | | |
| Sefton Court | Inner City | 25 000 | 70 | 368 | 212 |

| Building name | Location | Valuation (R'000) | Residential units | Retail GLA (m ²) | Retail weighted average rental per m ² (R) |
|--------------------|------------|-------------------|-------------------|------------------------------|---|
| Selwood Place | Hillbrow | 18 969 | 55 | | |
| Selwyn Hall | Windsor | 8 420 | 25 | | |
| Sentinel | Hillbrow | 100 654 | 410 | 1013 | 82 |
| Seswick Court | Hillbrow | 8 181 | 30 | | |
| Sixty One Contessa | Windsor | 4 600 | 15 | | |
| Sparrow Hawk | Jhb East | 45 770 | 97 | | |
| Springbok Court | Jhb East | 13 900 | 41 | 1 | 97 |
| Stone Arch | Jhb East | 84 958 | 222 | | |
| Sue Mark Court | Inner City | 11 100 | 53 | | |
| Summer Place | Jhb West | 34 019 | 60 | | |
| Summer Place | Pretoria | 19 000 | 49 | | |
| Sunset View | Jhb South | 14 310 | 30 | | |
| Surrey | Jhb North | 30 023 | 62 | | |
| Syringa | Jhb East | 59 800 | 146 | | |
| Telmond | Jhb North | 35 596 | 26 | | |
| Hollyland | Jhb North | | 28 | | |
| Toronto Heights | Inner City | 16 000 | 48 | 496 | 55 |
| Trejon | Jhb West | 10 216 | 34 | | |
| Upper East Side | Jhb East | 22 610 | 52 | | |
| Villa Borghese | Windsor | 2 088 | 8 | | |
| Villa Kazi | Inner City | 4 208 | 99 | 81 | 291 |
| Villa Mia | Jhb East | 31 170 | 81 | | |
| Waterfront | Jhb East | 12 761 | 30 | | |
| Willanda | Hillbrow | 8 262 | 37 | | |
| Willowbrooke | Pretoria | 38 935 | 100 | | |
| Windmill | Inner City | 23 135 | 91 | 200 | 97 |
| Wonderpark | Pretoria | 42 561 | 180 | | |

Notes:

1. The Indluplace property portfolio consists of 9 189 residential units across 124 buildings, and 15 549m² of retail space, collectively valued at R3.3 billion. As at 30 September 2022, 10.7% of the residential portfolio was vacant and 8.9% of the retail space was vacant. The portfolio described excludes Annlin Place which is currently in a process of disposal and was held for sale by Indluplace as at 30 September 2022.
2. The Indluplace IAR reflects the following weighted average monthly rentals for the various unit types within the residential portfolio:

| Residential unit type | Average monthly rental (R) |
|-----------------------|----------------------------|
| Rooms | 1 617 |
| Bachelors | 3 022 |
| One Bed | 4 000 |
| Two Bed | 5 113 |
| Three Bed | 5 661 |
| Four Bed | 6 892 |

3. In terms of Indluplace's accounting policies, the property portfolio is valued annually. Independent valuations are obtained on a rotational basis, ensuring that every property is valued at least once every three years by an external independent valuer. As at 30 September 2022, one third of the properties were valued by Real Insight and Yield Enhancement Solutions, registered valuers in

terms of Section 19 of the Property Valuers Professional Act (Act No. 47 of 2000), and the remaining properties were valued by the Indluplace directors. The valuations were performed using the net income capitalisation methodology.

4. Responsibility statement

The board of directors of SA Corporate (the **SA Corporate Board**) accepts responsibility for the information contained in this announcement insofar as it relates to SA Corporate. To the best of the SA Corporate Board's knowledge and belief, the information contained in this announcement is true and the announcement does not omit anything likely to affect the importance of the information.

14 March 2023
Johannesburg

Corporate advisor and transaction sponsor to SA Corporate

Nedbank Corporate and Investment Banking, a division of Nedbank Limited

Legal advisor to SA Corporate

Cliffe Dekker Hofmeyr Incorporated

Mandated lead arranger and guarantee bank to SA Corporate

Absa Corporate and Investment Banking, a division of Absa Bank Limited